

House and Senate Budget Bills As Introduced

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Prepared by JLBC Staff
May 21, 2019

GENERAL FUND BUDGET 4-YEAR ANALYSIS

\$ in Millions

		A	B	C	D
		FY 2019 5/21	FY 2020 5/21	FY 2021 5/21	FY 2022 5/21
1	Beginning Balance	\$ 449.6	\$ 774.3	\$ 77.1	\$ 24.0
Ongoing Revenues					
2	Ongoing Revenues - January Baseline	10,789.3	11,175.8	11,527.4	11,956.7
3	Base Revenue Adjustment	(66.0)	(16.9)	(23.5)	(31.4)
4	Conformity/Wayfair (FY 19 Used for 2010B / FY 20 Used For Offsetting Tax Reduction)	155.0			
5	25% Charitable Deduction for Standard Deduction Filers		(24.0)	(24.0)	(24.0)
6	HSF Phase Out (Jan 1 '20 - \$26/'21 - \$20/'22 - \$15/'23 - \$10/'24 - \$0) - Revenue Impact		(40.1)	(47.5)	(47.5)
7	Index Dependent Exemption (Starts in '21)		No - Conformity		
8	Charitable Tax Credit (SB 1027)		(1.2)	(1.2)	(1.2)
9	Property Taxes Valuation (Rule B) - (SB 1248)		(0.8)	(0.8)	(0.8)
10	Alternative Fuels; VLT (SB 1332)		Yes - Other Funds		
11	Fertilizer TPT Exemption (Half Year Impact in '20) - (HB 2275 - Amend)		(7.4)	(14.7)	(14.7)
12	Corporate STO Deceleration (SB 1485)		See '21	5.3	18.7
13	Liquor License Fees (Liquor Dept. Issues - Legal, IT, 1 FTE)		(0.2)	(0.2)	(0.2)
14	Treasurer Issues		(0.4)	(0.4)	(0.4)
15	Subtotal - Ongoing Revenues	\$ 10,878.3	\$ 11,084.8	\$ 11,420.4	\$ 11,855.2
One-Time Revenues					
16	TPT Estimated Payment Threshold (\$1 M to \$4.1 M, Thru '23) (HB 2360 - Amend)		(10.3)	(10.0)	(10.0)
17	One-Time Conformity Offset Loss (Wayfair Partial Year Impact In '20)		(28.0)		
18	DWR \$20 M Water Infrastructure Repayment				20.0
<u>Previously Enacted Fund Transfers</u>					
19	'19/'20 Fund Transfers - Already Enacted	100.7	1.8		
<u>New Proposed Fund Transfers</u>					
20	AHCCCS - Prescription Drug Rebate Transfer to General Fund		69.0	16.7	16.7
21	Wells Fargo Settlement		20.0		
22	Subtotal - Newly Enacted Fund Transfers	\$ -	\$ 89.0	\$ 16.7	\$ 16.7
23	Subtotal - One-Time Revenues (Including Beginning Balance)	\$ 550.3	\$ 826.8	\$ 83.8	\$ 50.7
24	Total Revenues	\$ 11,428.6	\$ 11,911.6	\$ 11,504.2	\$ 11,905.9
25	JLBC Baseline - Ongoing Spending	\$ 10,147.6	\$ 10,629.5	\$ 11,269.6	\$ 11,707.7

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		A	B	C	D
		FY 2019 5/21	FY 2020 5/21	FY 2021 5/21	FY 2022 5/21
Ongoing Changes to JLBC Baseline					
26	Agriculture - Ag Lab Relocation		0.4	0.5	0.5
27	Agriculture - Dairy Inspector Salary Increase (\$137k)		0.1	0.1	0.1
28	AHCCCS - Formula (18.0)		(55.0)	(83.0)	(92.0)
29	AHCCCS - Federal Match Rate Changes (Begin in FY 21)		Yes	(19.8)	(30.4)
30	AHCCCS - Use PDRF As Transfer Instead of Offset (See Fund Transfers)		53.6	16.7	16.7
31	AHCCCS - Eliminate KidsCare Freeze		1.6	9.4	9.4
32	AHCCCS - DD Behavioral Health Transfer to DES		(26.1)	(26.1)	(26.1)
33	AHCCCS - Prop 206 Funding (Elderly Long-Term Care)		4.8	4.8	4.8
34	AHCCCS - Additional ALTCS Provider Funding		7.0	7.0	7.0
35	Charter Board - Additional FTEs (FY 20 5 FTE/FY 21 10 FTE)		0.4	0.8	0.8
36	DCS - Kinship Stipend		2.4	2.4	2.4
37	Comm Colleges - Formula Changes		0.2	0.2	0.2
38	Comm Colleges - Dine College Remedial Education		1.0	1.0	1.0
39	Corrections - Inmate Health Care		30.9	30.9	30.9
40	Corrections - Health Care Monitoring Staff (10 FTE)		1.0	1.0	1.0
41	Counties - Rural EORP Assistance		3.0	3.0	3.0
42	DES - Formula Adjustments 3.7			(16.1)	(16.1)
43	DES - Federal Match Rate Changes (Begin in FY 21)		Yes	(6.0)	(9.0)
44	DES - DD FY 19 Cap Rate Increase 6.7		6.7	6.7	6.7
45	DES - Case Management Funding		1.9	1.9	1.9
46	DES - DD Behavioral Health Services Transfer to DES		26.1	26.1	26.1
47	DES - Fund Prop 206 Costs Ongoing		13.0	13.0	13.0
48	DES - Additional DD Provider Funding		13.0	13.0	13.0
49	DES - Local Minimum Wage Increase DD Offsets		BRB		
50	DES - Childcare Block Grant Other Fund		Other Fund		
51	ADE - Formula Adjustments (10.0)		(54.7)	(72.0)	(96.0)
52	ADE - Results-Based Funding (\$40 M in Base) - Top 13% AZMerit		30.0	30.0	30.0
53	ADE - SRO/School Counselors Grant Program		15.0	15.0	15.0
54	ADE - Juvenile Detention Education Programs		0.7	0.7	0.7
55	ADE - Excess SFB Debt Service Funds (6.8)				
56	DEMA - National Guard Tuition Reimbursement (125 - 400 Guardsman)		1.0	1.0	1.0
57	Forestry - Hazardous Vegetation Removal		1.0	1.0	1.0

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		FY 2019 5/21	FY 2020 5/21	FY 2021 5/21	FY 2022 5/21
58	Forestry - Non-Native Vegetation Eradication (Thru FY 29)		1.0	1.0	1.0
59	Governor - Foster Youth Education Ongoing		1.5	1.5	1.5
60	Governor - Governor's Budget Staff (OSPB) (\$650k)		0.7	0.7	0.7
61	DHS - ASH Temporary Staffing Contract Increase		Other Fund		
62	IRC - JLBC Baseline Has '21/'22 Funding		Remove 21/22 \$	(0.5)	(3.7)
63	Judiciary - Court of Appeals - General Operating Expenses		0.2	0.2	0.2
64	Judiciary - Superior Court - Health/Dental Cost Adjustment (\$54k)		0.1	0.1	0.1
65	Judiciary - Superior Court - Adult Probation Growth		0.2	0.2	0.2
66	Judiciary - Superior Court - Probation Salary Deficit		1.0	1.0	1.0
67	Judiciary - Judicial Nominating Commissions (2 Counties)		0.1	0.1	0.1
68	Judiciary - Employee Salary Increase		1.1	1.1	1.1
69	DJC - Repeal Non-Maricopa/Pima County Cost Sharing Permanently		2.8	2.8	2.8
70	Legislature - Senate Budget		3.7	3.7	3.7
71	Legislature - House Budget		2.5	2.5	2.5
72	Legislature - JLBC Budget		0.3	0.3	0.3
73	Postsecondary Ed - Internal IT System Development (\$34k)		0.1	0.1	0.1
74	DPS - Maricopa Night Highway Patrol (6 FTE)		1.5	1.1	1.1
75	DPS - Southern AZ Highway Patrol (12 FTE)		3.0	2.2	2.2
76	DPS - Loop 202 South Mountain Freeway Patrol (30 FTE)		6.4	4.9	4.9
77	DPS - Highway Safety Fee Phase Out (Spending Impact)		(24.1)	3.4	35.3
78	PSPRS - Prescott Fire Deposit (Thru FY 26)		1.0	1.0	1.0
79	Sec of State - Pres. Preference Election (Baseline - \$5.0 M)		(0.7)		
80	Sec of State - 2 FTE Positions (IT Staff)		0.2	0.2	0.2
81	Sec of State - Election Services (\$100k Petitions/\$3k Training)		0.1	0.1	0.1
82	Sec of State - Uniform Laws Commission		0.1	0.1	0.1
83	Tourism - Marketing Funding Increase (\$100k Wine Promotion)		1.1	1.1	1.1
84	Universities - ABOR - Teacher's Academy		15.0	15.0	15.0
85	Universities - ABOR - Adaptive Athletics (\$160k)		0.2	0.2	0.2
86	Universities - ABOR - Washington Center		0.3	0.3	0.3
87	Universities - NAU - Continue Biomedical Research Funding		3.0	3.0	3.0
88	Universities - NAU - Ongoing Freedom School Funding		0.5	0.5	0.5
89	Veterans' Services - Veteran Suicide Prevention (Incl. \$450k Trauma Training)		1.6	1.6	1.6
90	Water Resources - Staff/Courts Water Master		0.6	0.6	0.6
91	Other - Pay Raise - Agriculture (\$30k)		0.1	0.1	0.1

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		FY 2019 5/21	FY 2020 5/21	FY 2021 5/21	FY 2022 5/21
92	Other - Pay Raise - Attorney General (\$55k)		0.1	0.1	0.1
93	Other - Pay Raise - Child Safety		5.5	5.5	5.5
94	Other - Pay Raise - ADC (Monthly Hiring Report/Quarterly Benchmark/JLBC Review)		40.6	40.6	40.6
95	Other - Pay Raise - Health Services		2.8	2.8	2.8
96	Other - Pay Raise - Insurance (\$20k)		0.1	0.1	0.1
97	Other - Pay Raise - Juvenile Corrections		3.2	3.2	3.2
98	Other - Pay Raise - Dept. of Public Safety		21.5	21.5	21.5
99	Other - 2010 Sale/Leaseback Refinance Savings (2010A Savings Only)		(6.4)	(6.4)	(6.4)
100	Other - 2010 Sale/Leaseback Debt Service Savings - 2010B Payoff		Savings Start in '21	(24.0)	(24.0)
101	Other - ADC/DJC Retirement Adjustments		(3.7)	(3.7)	(3.7)
102	Other - DPS PSPRS Retirement Adjustment		4.1	4.1	4.1
103	Other - Risk Management Adjustments		2.3	2.3	2.3
104	Other - IT Pro Rata Adjustments		1.1	1.1	1.1
105	Other - Agency Rent Adjustments		(0.5)	(0.5)	(0.5)
106	Other - COSF Rental Rate Increase		2.0	2.0	2.0
107	Other - ADOA Shared Services (1740 W Adams)		\$10k	\$10k	\$10k
108	Other - Revertments (Unspent Appropriations)	(21.0)	(22.0)	(18.0)	(22.0)
109	Subtotal - Ongoing Changes to JLBC Baseline	\$ (45.4)	\$ 154.9	\$ 44.1	\$ 22.2
110	Total Ongoing Spending	\$ 10,102.2	\$ 10,784.4	\$ 11,313.7	\$ 11,729.9
111	JLBC Baseline One-Time Spending	\$ 247.0	\$ 154.9	\$ 168.4	\$ 28.5
One-Time Changes to JLBC Baseline					
112	ADOA - Sierra Vista Public Safety Communications (\$271k)		0.3		
113	ADOA/APF - Business OneStop Shop Web Portal Design Costs		1.0		
114	Agriculture - Mariposa Port of Entry Cold Inspection Facility (Capital)		0.7		
115	AHCCCS - Asset Verification System (No '21/'22 Commitment)		PDRF One-Time		
116	AHCCCS - Electronic Visit Verification System (No '21/'22 Commitment)		PDRF One-Time		
117	AHCCCS - Provider Management System (No '21/'22 Commitment)		PDRF One-Time		
118	Arts - One-Time Funding		2.0		
119	DCS - Automation (CHILDS)		5.1		
120	Commerce - Rural Broadband Grants		3.0		
121	Comm Colleges - Maricopa CCD Healthcare Specialty Expansion		5.8		

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		FY 2019 5/21	FY 2020 5/21	FY 2021 5/21	FY 2022 5/21
122	Comm Colleges - Pima CCD Aviation Center		15.0		
123	Comm Colleges - One-Time Rural Funding (By Student Count)		14.2		
124	Comm Colleges - Maricopa/Pima STEM Funding (Thru FY 22)		2.0	2.0	2.0
125	Economic Opportunity - WIFA - Small Water Systems Fund		0.5		
126	DES - Food Banks (\$950k)	1.0			
127	ADE - Reduce K-12 Rollover (FY 22 - Eliminate for < 1,350 ADM)				30.0
128	ADE - High Quality Teacher Scholarships (Thru FY 22)		0.4	0.4	0.4
129	ADE - Mingus Unified Consolidation Costs (\$50k)		0.1		
130	ADE - Yuma Elementary School Construction		0.8		
131	ADE - CTED Incentive (One-Time/Non-Lapsing) - JLBC Review			5.0	5.0
132	ADE - Community Schools Pilot Program (\$765k)		0.8		
133	ADE - One-Time DAA/CAA Acceleration (\$136 M In FY 20)		67.8		
134	DEMA - West Valley Readiness Center (Capital)		3.9		
135	DEQ - WQARF		Other Fund - \$15 M		
136	DEQ - Nogales Wastewater		Other Fund - \$2.6 M		
137	Forestry - Adjust BSF Firefighting Loan Limit (Currently \$10 M)		\$20 M BSF Limit		
138	Forestry - Fire Training Center (Taylor) - \$750k		0.8		
139	Forestry - Non-Native Vegetation Eradication		1.0		
140	Forestry - Mount Lemmon Fire District Water Line (\$750k)		0.8		
141	DHS - Alzheimer's Research		Other Fund - \$2.0 M		
142	DHS - Rural Hospital Prenatal Equipment		1.0	0.5	0.5
143	DHS - Restore Emergency Fund to \$500k		0.1		
144	DHS - Primary Care Clinic - Colorado City		0.7		
145	DHS - Benson and Northern Cochise Hospitals		1.5		
146	Housing - Housing Trust Fund Deposit (One-Time)		10.0		
147	DJC - One-Time Maricopa/Pima County Cost Sharing Offset		8.5		
148	Leg. - Auditor General - CTED Study		0.4		
149	Parks - Arizona Trail - \$250k		Yes - Other Fund		
150	DPS - AZ POST Funding (Highway Patrol Fund)		Other Fund - \$1.0 M		
151	DPS - Highway Patrol Vehicle Replacement		4.0		
152	Racing - County Fair Promotion (\$730k)		0.7		
153	SFB - Advance Funding for New School Construction (2 Year)		16.0	16.8	32.1
154	SFB - Final New School Construction Approvals		10.6	(8.6)	(14.5)
155	SFB - Building Renewal Funding	25.0	62.8		

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		A	B	C	D
		FY 2019 5/21	FY 2020 5/21	FY 2021 5/21	FY 2022 5/21
156	Sec of State - FY 19 Supplemental - Record Storage	0.7			
157	ADOT - I-17 Expansion (State Highway Fund) - (\$40 M/\$45 M/\$45 M)		State Highway Fund	State Highway Fund	State Highway Fund
158	Additional Road Infrastructure (\$18 M Locals/\$77 M Projects)		95.3		
159	Universities - ASU - One-Time Operating Funding		18.9		
160	Universities - NAU - One-Time Operating Funding		6.7		
161	Universities - UA - One-Time Operating Funding		9.4		
162	Water Resources - Water System Conservation Funding (Enacted)		30.0		
163	Water Resources - Agriculture Infrastructure Projects (Enacted)	7.0			
164	Water Resources - Additional \$20 M Infrastructure Projects		20.0		
165	Water Resources - Water Protection Fund Deposit		0.5		
166	Water Resources - Digitization/Case Management System		0.5		
167	Other - 2010B Sale/Leaseback Payoff		190.0		
168	Other - HITF - State Agencies		8.4		
169	Other - HITF - Universities		2.1		
170	Other - Rainy Day Fund Deposit	271.1	271.1		
171	Other - '21 Additional 27th Pay Period (JLBC Baseline - \$98 M)		See '21	(18.0)	
172	Other - Named Claimants (\$307k) (HB 2495)	0.3			
173	Subtotal - One-Time Changes to JLBC Baseline	\$ 305.1	\$ 895.2	\$ (1.9)	\$ 55.5
174	Total One-Time Spending	\$ 552.1	\$ 1,050.1	\$ 166.5	\$ 84.0
175	Total Spending	\$ 10,654.3	\$ 11,834.5	\$ 11,480.2	\$ 11,813.9
176	Cash Balance	\$ 774.3	\$ 77.1	\$ 24.0	\$ 92.0
177	Structural Balance	\$ 776.1	\$ 300.4	\$ 106.7	\$ 125.3

5/21 Plan
Statement of General Fund Revenues and Expenditures 1/
With One-Time Financing Sources

	FY 2019 5/21	FY 2020 5/21	FY 2021 5/21	FY 2022 5/21
REVENUES				
Ongoing Revenues	\$11,398,072,000	\$11,896,447,900	\$12,296,178,400	\$12,752,263,400
Newly Enacted Changes		(73,990,900)	(83,315,300)	(69,941,200)
Conformity/Wayfair (Offset In FY 20)	155,000,000			
Urban Revenue Sharing	(674,804,400)	(737,573,600)	(792,281,400)	(827,005,300)
Net Ongoing Revenues	\$10,878,267,600	\$11,084,883,400	\$11,420,581,700	\$11,855,316,900
One-time Financing Sources				
Balance Forward	449,632,000	774,372,400	77,591,300	24,817,200
Wells Fargo Settlement		20,000,000		
Other Tax Law Changes		(38,322,600)	(10,005,000)	(9,974,300)
Water Infrastructure Repayment				20,000,000
Fund Transfers	100,681,700	70,840,700	16,700,000	16,700,000
Subtotal One-time Revenues	\$550,313,700	\$826,890,500	\$84,286,300	\$51,542,900
Total Revenues	\$11,428,581,300	\$11,911,773,900	\$11,504,868,000	\$11,906,859,800
EXPENDITURES				
Operating Budget Appropriations	\$10,200,028,900	\$10,829,404,600	\$11,358,576,700	\$11,774,679,400
FY 2019 Supplementals/Ex-Approp.	(52,838,800)			
Administrative Adjustments	126,000,000	128,000,000	138,000,000	143,000,000
Revertments	(171,000,000)	(173,000,000)	(183,000,000)	(188,000,000)
Subtotal Ongoing Expenditures	\$10,102,190,100	\$10,784,404,600	\$11,313,576,700	\$11,729,679,400
One-time Expenditures				
Capital Outlay	4,959,000	4,575,000		
Transportation Funding		95,310,000		
Reduce K-12 Rollover				30,000,000
Budget Stabilization Fund Deposit	271,107,000	271,107,000		
2010B Debt Payoff		190,000,000		
Operating One-Time Spending	241,996,500	488,786,000	86,474,100	54,107,400
FY 2019 One-Time Supplementals	33,956,300			
Additional (27th) Pay Period			80,000,000	
Subtotal One-time Expenditures	\$552,018,800	\$1,049,778,000	\$166,474,100	\$84,107,400
Total Expenditures	\$10,654,208,900	\$11,834,182,600	\$11,480,050,800	\$11,813,786,800
Ending Balance <u>2/</u>	\$774,372,400	\$77,591,300	\$24,817,200	\$93,073,000
Structural Balance <u>3/</u>	\$776,077,500	\$300,478,800	\$107,005,000	\$125,637,500

1/ Significant one-time revenues and expenditures are separately detailed so as to permit the calculation of ongoing revenue and expenditures.

2/ This calculation reflects the difference between total revenues and total expenditures. Excludes any Budget Stabilization Fund balance.

3/ This calculation reflects the difference between ongoing revenues and expenditures and excludes one-time adjustments. Excludes any Budget Stabilization Fund balance.

DETAILED LIST OF GENERAL FUND CHANGES BY AGENCY

	FY 2019 GF 5/21	FY 20 Baseline 1/ Above FY 19	FY 20 5/20 Chng to FY 20 Baseline	FY 2020 GF 5/21
OPERATING SPENDING CHANGES				
DOA - Arizona Department of Administration	7,939,100			8,210,100
DOA - Sierra Vista Public Safety Communications			271,000	
APF - Automation Projects Fund/ADOA	5,000,000			11,100,000
APF - DCS Automation			5,100,000	
APF - Business OneStop Shop Web Portal			1,000,000	
OAH - Office of Administrative Hearings	868,900			868,900
AAM - Commission of African-American Affairs	127,200			127,200
AGR - Department of Agriculture	9,640,000			10,938,900
AGR - Industrial Hemp Licensing (Enacted)		750,000		
AGR - Dairy Inspector Salary Increase			137,000	
AGR - Mariposa Port of Entry Cold Inspection Facility			See Capital	
AGR - AG Lab Relocation			411,900	
AXS - AHCCCS	1,777,093,500			1,766,949,900
AXS - Formula Changes		38,999,200	(55,000,000)	
AXS - Use PDRF As Fund Transfer Rather Than Offset		(36,927,800)	53,657,900	
AXS - Statutory Adjustments		(150,200)		
AXS - Proposition 206 Rate Increase		1,944,500		
AXS - Asset Verification System			Other Fund	
AXS - Electronic Visit Verification System			Other Fund	
AXS - Provider Management System			Other Fund	
AXS - Eliminate KidsCare Freeze			1,586,900	
AXS - DD Behavioral Health Services Transfer to DES			(26,054,100)	
AXS - Additional ALTCS Provider Funding			7,000,000	
AXS - Make Prop 206 Assistance Ongoing			4,800,000	
ART - Arizona Commission on the Arts	0			2,000,000
ART - One-Time Funding			2,000,000	
ATT - Attorney General	25,940,300			25,940,300
CHA - State Board for Charter Schools	1,209,800			1,602,600
CHA - Additional FTEs			392,800	
DCS - Department of Child Safety	375,838,700			378,230,700

	FY 2019 GF 5/21		FY 20 Baseline 1/ Above FY 19	FY 20 5/20 Chng to FY 20 Baseline	FY 2020 GF 5/21
DCS - Kinship Stipend				2,392,000	
ACA - Arizona Commerce Authority	21,800,000				18,800,000
ACA - Competes Fund Deposit Reduction			(6,000,000)		
ACA - One-Time Rural Development Broadband Grants				3,000,000	
CCO - Arizona Community Colleges	57,205,500				96,882,200
CCO - Formula Changes			1,431,400	245,300	
CCO - Maricopa CCD Healthcare Specialty Expansion				5,800,000	
CCO - Pima CCD Aviation Center				15,000,000	
CCO - Dine College Remedial Education				1,000,000	
CCO - Maricopa/Pima STEM Funding (Thru FY 22)				2,000,000	
CCO - One-Time Rural Funding (By Student Count)				14,200,000	
COR - Corporation Commission	814,600				618,000
COR - Remove One-Time Railroad Safety Inspector Funding			(196,600)		
ADC - Department of Corrections	1,099,670,000				1,133,566,500
ADC - Remove Lease Purchase Payment			(3,072,900)		
ADC - Inmate Health Care Contract Costs				30,900,000	
ADC - Inmate Health Care Monitoring (10 FTE)				985,900	
ADC - Private Prison CO Salary Increase				5,083,500	
CF - County Funding	20,566,200				10,650,700
CF - Rural EORP Assistance			(1,655,500)	3,000,000	
CF - Remove One-Time DJC Offset			(11,260,000)		
SDB - Arizona State Schools for the Deaf and the Blind	21,659,300				23,259,300
SDB - Early Childhood Services Fund Shift			1,600,000		
OEC - Office of Economic Opportunity	488,800				988,800
OEC - WIFA - Small Water Systems Fund				500,000	
DES - Department of Economic Security	650,936,900				748,115,200
DES - Formula Adjustments			50,962,300		
DES - Case Management Funding				1,861,900	
DES - One-time Proposition 206 Assistance			(11,000,000)	13,000,000	
DES - Additional DD Provider Funding				13,000,000	
DES - FY 19 DD Cap Rate Increase				6,700,000	
DES - Remove One-Time Food Bank Funding			(1,000,000)		
DES - Remove One-Time Medical Room and Board			(2,000,000)		
DES - Remove One-Time SNAP Benefit Match Funding			(400,000)		
DES - DD Behavioral Health Services Transfer to DES				26,054,100	

	FY 2019 GF 5/21	FY 20 Baseline 1/ Above FY 19	FY 20 5/20 Chng to FY 20 Baseline	FY 2020 GF 5/21
BOE - State Board of Education	1,146,300			1,146,300
ADE - Arizona Department of Education	4,704,652,000			5,194,905,600
ADE - Formula Adjustments		197,489,200	(54,700,000)	
ADE - Additional Assistance Increase (Enacted)		67,774,700		
ADE - Teacher Salary Increases (Enacted)		164,700,000		
ADE - One-Time American Civics Funding (Enacted)		500,000		
ADE - Eliminate One-Time Gifted Education Funding		(1,000,000)		
ADE - Results-Based Funding			30,000,000	
ADE - CTED Incentive Program			FY 21/22 - \$5 M	
ADE - SRO/School Counselors Grant Program			15,000,000	
ADE - Community Schools Pilot Program			765,000	
ADE - One-Time Additional Assistance Increase			67,774,700	
ADE - Payoff K-12 Rollover			FY 22 - \$30 M	
ADE - Juvenile Detention Education Programs			700,000	
ADE - High Quality Teacher Scholarships (Also \$400k in FY 21/22)			400,000	
ADE - Mingus Unified Consolidation Costs			50,000	
ADE - Yuma Elementary School Construction			800,000	
EMA - Department of Emergency & Military Affairs	11,098,200			12,098,200
EMA - National Guard Tuition Reimbursement			1,000,000	
EQU - State Board of Equalization	652,000			652,000
EXE - Board of Executive Clemency	1,137,000			1,137,000
DFI - Dept of Financial Institutions	1,984,800			1,984,800
FOR - Department of Forestry and Fire Management	11,156,700			15,656,700
FOR - Hazardous Vegetation Removal			1,000,000	
FOR - Fire Training Center (Taylor)			750,000	
FOR - Non-Native Vegetation Eradication (Thru FY 29)			1,000,000	
FOR - Non-Native Vegetation Eradication (One-Time)			1,000,000	
FOR - Mount Lemmon Fire District Water Line			750,000	
GAM - Department of Gaming	1,779,500			2,509,500
GAM - County Fair Promotion			730,000	
GOV - Office of the Governor	8,538,800			8,538,800
GOV - Retain Foster Youth Education Funding		(1,500,000)	1,500,000	
OSP - Gov's Office of Strategic Planning & Budgeting	2,022,100			2,672,100

	FY 2019 GF 5/21		FY 20 Baseline 1/ Above FY 19	FY 20 5/20 Chng to FY 20 Baseline	FY 2020 GF 5/21
OSP - Additional Funding				650,000	
DHS - Department of Health Services	89,931,200				93,237,800
DHS - Alzheimer's Research (One-Time)				Other Fund	
DHS - Prenatal Services Funding (One-Time)				1,000,000	
DHS - Public Health Emergency Fund Backfill				106,600	
DHS - Benson and Northern Cochise Hospitals				1,500,000	
DHS - Primary Care Clinic - Colorado City				700,000	
AZH - Arizona Historical Society	3,195,000				3,075,000
AZH - Risk Management Adjustment			(120,000)		
PAZ - Prescott Historical Society	832,700				832,700
DOH - Department of Housing	0				10,000,000
DOH - Housing Trust Fund Deposit (One-Time)				10,000,000	
INS - Department of Insurance	5,628,400				5,628,400
SPA - Judiciary - Supreme Court	19,870,100				20,422,400
SPA - Judicial Nominating Commissions (2 Counties)				117,500	
SPA - Employee Salary Increase				477,500	
SPA - Risk Management Shift			(42,700)		
COA - Judiciary - Court of Appeals	15,992,400				16,667,200
COA - Risk Management Shift			27,600		
COA - General Operating Expenses				236,100	
COA - Employee Salary Increase				411,100	
SUP - Judiciary - Superior Court	80,714,500				89,722,100
SUP - Risk Management Shift			15,100		
SUP - Maricopa County Judges Phase-In (Enacted)			6,972,000		
SUP - Water Master				39,500	
SUP - Digitization/Case Management System				250,000	
SUP - Adult Probation Growth				243,300	
SUP - Employee Salary Increase				257,800	
SUP - Health/Dental Cost Adjustment				54,100	
SUP - Annualize New Probation Officers			137,500		
SUP - Probation Salary Deficit				1,038,300	
DJC - Department of Juvenile Corrections	22,734,500				33,994,500
DJC - Repeal Rural County Cost Sharing (One-Time Maricopa/Pima)				11,260,000	

	FY 2019 GF 5/21		FY 20 Baseline 1/ Above FY 19	FY 20 5/20 Chng to FY 20 Baseline	FY 2020 GF 5/21
LAN - State Land Department	11,733,400				11,605,100
LAN - CAP Rate Adjustment			(128,300)		
Legislature					
AUD - Auditor General	19,709,600				20,607,100
AUD - CTED Study				400,000	
AUD - Increase Staffing for Performance Audit Division (Enacted)			497,500		
HOU - House of Representatives	13,835,000				16,335,000
HOU - Additional Funding				2,500,000	
JLBC - Joint Legislative Budget Committee	2,504,800				2,829,800
JLBC - Additional Funding				325,000	
LEG - Legislative Council	8,304,900				8,304,900
SEN - Senate	9,747,200				13,422,200
SEN - Additional Funding				3,675,000	
MIN - State Mine Inspector	1,255,800				1,255,800
NAV - Arizona Navigable Steam Adjudication Comm.	127,400				127,400
POS - Commission for Postsecondary Education	1,646,800				1,680,900
POS - Teacher Student Loan Program					
POS - Internal IT System Development				34,100	
DPS - Department of Public Safety	104,241,700				69,190,800
DPS - Highway Safety Fee Fund Shift			(30,000,000)	(24,056,800)	
DPS - Wrong Way Driving Patrol (6 Maricopa FTE)				1,468,800	
DPS - Border Strike Task Force Enhancement (12 FTE Southern AZ)				2,974,600	
DPS - Loop 202 South Mountain Freeway Patrol				6,433,500	
DPS - AZ POST Funding				Other Fund	
DPS - Highway Patrol Vehicle Replacement				4,000,000	
DPS - Retirement Adjustment				4,129,000	
PSP - Public Safety Personnel Retirement System	7,000,000				6,000,000
PSP - Expiration of Multi-Year Prescott Fire Dept. Funding			(1,000,000)		
PSP - Retain Prescott Fire Dept. Funding Thru FY 26			(1,000,000)	1,000,000	
REA - State Real Estate Department	2,911,700				2,911,700

	FY 2019 GF 5/21	FY 20 Baseline 1/ Above FY 19	FY 20 5/20 Chng to FY 20 Baseline	FY 2020 GF 5/21
REV - Department of Revenue	31,063,800			31,063,800
SFB - School Facilities Board	274,700,300			325,632,500
SFB - New School Funding Completion (FY 18 Starts)		(37,989,800)		
SFB - Continue New School Construction Projects (FY 19 Starts)		(12,910,000)		
SFB - Begin New School Construction Projects (FY 20 Starts)		49,305,000		
SFB - Advance Funding For New School Construction			15,953,600	
SFB - Lease-Purchase Adjustment		(2,416,800)		
SFB - Final New School Construction Approvals			10,617,200	
SFB - One-Time Building Renewal Funding		(34,417,900)	62,790,900	
SOS - Secretary of State	15,568,800			16,995,400
SOS - Presidential Preference Election		1,650,000	(626,400)	
SOS - 2 FTE Positions (IT Staff)			200,000	
SOS - Election Services (Separate Bill - SB 1451)			103,000	
SOS - Uniform State Laws Commission			100,000	
TAX - State Board of Tax Appeals	280,400			280,400
TOU - Office of Tourism	7,112,000			8,212,000
TOU - Marketing Funding Increase (Includes \$100k Wine Promotion)			1,100,000	
DOT - Department of Transportation	65,000			0
DOT - Remove One-Time Transit Planning Funding		(65,000)		
DOT - Interstate 17 Expansion			See Capital	
TRE - State Treasurer	1,205,100			1,205,100
OTR - Governor's Office on Tribal Relations	60,900			60,900
UNI - Universities				
UNI - Arizona Board of Regents	6,898,100			22,358,100
UNI - Adaptive Athletics			160,000	
UNI - Washington Center			300,000	
UNI - Teacher's Academy			15,000,000	
UNI - ASU	328,775,800			342,396,900
UNI - Lease Purchase Adjustment		(22,400)		
UNI - Inflation Adjustment (2017 Capital Infrastructure)		238,500		
UNI - Remove '19 One-Time Operating Funding		(4,245,000)		
UNI - New '20 One-Time Operating Funding			18,900,000	
UNI - Remove One-Time Economic Development Funding		(250,000)		
UNI - Remove One-Time Freedom School Funding		(1,000,000)		

	FY 2019 GF 5/21	FY 20 Baseline 1/ Above FY 19	FY 20 5/20 Chng to FY 20 Baseline	FY 2020 GF 5/21
UNI - Northern Arizona University	112,095,700			117,249,200
UNI - Lease Purchase Adjustment		3,300		
UNI - Inflation Adjustment (2017 Capital Infrastructure)		90,400		
UNI - Remove Multi-Year Biomedical Research Funding		(3,000,000)		
UNI - Continue Biomedical Research Funding			3,000,000	
UNI - Retain Freedom School Funding		(500,000)	500,000	
UNI - Remove '19 One-Time Operating Funding		(1,590,200)		
UNI - New '20 One-Time Operating Funding			6,650,000	
UNI - UA - Main Campus	208,836,400			215,331,800
UNI - Inflation Adjustment (2017 Capital Infrastructure)		211,000		
UNI - Lease Purchase Adjustment		(800)		
UNI - Remove '19 One-Time Operating Funding		(2,164,800)		
UNI - New '20 One-Time Operating Funding			9,450,000	
UNI - Remove One-Time Freedom School Funding		(1,000,000)		
UNI - UA - Health Sciences Center	68,897,700			68,897,700
VSC - Department of Veterans' Services	6,120,600			7,771,100
VCS - Remove One-Time Hyperbaric Therapy Funding		(25,000)		
VSC - Veteran Suicide Prevention			1,675,500	
WAT - Department of Water Resources	16,169,800			66,909,800
WAT - Additional Staff			540,000	
WAT - Water Protection Fund Deposit			500,000	
WAT - Digitization			200,000	
WAT - Remove One-Time Northwest Basins Study Funding		(100,000)		
WAT - Water System Conservation Funding			30,000,000	
WAT - Agriculture Infrastructure Projects Loan			20,000,000	
WAT - Remove One-Time Water Protection Fund Deposit		(400,000)		
OTH - Other				
OTH - AHCCCS Ex-Appropriation	(46,564,900)	28,564,900		0
OTH - Land Dept Ex-Appropriation	(128,300)	128,300		0
OTH - FY 19 EORP Supplemental	287,800	(287,800)		0
OTH - ADE Ex-Appropriation	(10,000,000)			0
OTH - ADE Ex-Appropriation (SFB Excess Debt Service Funds)	(6,833,400)			0
OTH - DES FY 19 DD Cap Rate Increase	6,700,000			0
OTH - DES DD Caseload Supplemental	3,700,000			0
OTH - DES Food Bank Funding Supplemental	950,000			0
OTH - Secretary of State Supplemental (Record Storage)	700,000			0
OTH - Named Claimants Supplemental	306,300			0

	FY 2019 GF 5/21	FY 20 Baseline 1/ Above FY 19	FY 20 5/20 Chng to FY 20 Baseline	FY 2020 GF 5/21
OTH - DWR - Agriculture Infrastructure Projects Supplemental	7,000,000			0
OTH - SFB Building Renewal Supplemental	25,000,000			0
OTH - Debt Service Payments	84,112,000	(3,500)	(6,399,200)	77,709,300
OTH - Phoenix Convention Center Debt Service	22,996,300	503,700		23,500,000
OTH - 2010B Sale/Leaseback Payoff	0		190,000,000	190,000,000
OTH - Rio Nuevo District	14,000,000			14,000,000
OTH - Continue FY 2019 EORP Supplemental	0	287,800		287,800
OTH - Risk Management Adjustments	0	0	2,341,700	2,341,700
OTH - IT Pro Rata Adjustments	0	0	1,067,700	1,067,700
OTH - Agency Rent Adjustments	0	0	(549,700)	(549,700)
OTH - COSF Rental Rate Increase	0	0	2,023,000	2,023,000
OTH - ADOA Shared Services (1740 W Adams)	0	0	10,600	10,600
OTH - Pay Raise/Compensation Package	0		68,567,700	68,567,700
OTH - ADC/Judiciary Retirement Rate Adjustment	0		(3,710,100)	(3,710,100)
OTH - Remove One-Time '19 Agency Health Insurance Adjustments	0	(9,967,600)		(9,967,600)
OTH - New Agency Health Insurance Adjustments	0		8,431,600	8,431,600
OTH - New University Health Insurance Adjustments	0		2,112,800	2,112,800
OTH - Budget Stabilization Fund Deposit	271,107,000		271,107,000	271,107,000
OTH - Unallocated IT Pro-Rata Charge Increase	500	(500)		0
OTH - Unallocated Retirement Rate Adjustment	150,500	(150,500)		0
OTH - Unallocated HITF One-Time Employer Premium	32,400	(32,400)		0
OTH - Administrative Adjustments	126,000,000	7,000,000	(22,000,000)	128,000,000
OTH - Revertments	(171,000,000)	(6,000,000)		(173,000,000)
TOTAL - OPERATING SPENDING CHANGES	10,649,249,900	394,789,900	949,887,700	11,734,297,600
CAPITAL SPENDING				
Agriculture - Mariposa Port of Entry Cold Inspection Facility	0		700,000	700,000
DEMA - Tucson Readiness Center - One-Time Funding	3,759,000	(3,759,000)		0
DEMA - West Valley Readiness Center	0		3,875,000	3,875,000
DPS - Modular Housing - One-Time Funding	1,200,000	(1,200,000)		0
DOT - Interstate 17 Expansion	0		Other Fund	Other Fund
ADOA - State Route 24 Bridge	0		6,500,000	6,500,000
DOT - I-10 Widening Study	0		10,000,000	10,000,000
DOT - Aviation Fund Deposit	0		10,000,000	10,000,000
ADOA - Kingman I-40 Interchange	0		20,000,000	20,000,000
DOT - US 95 Yuma Road Widening	0		28,000,000	28,000,000
DOT - Local Road Construction Distribution	0		18,000,000	18,000,000
ADOA - Globe Bridge Repair	0		2,810,000	2,810,000
TOTAL - CAPITAL SPENDING	4,959,000	(4,959,000)	99,885,000	99,885,000

	FY 2019 GF 5/21		FY 20 Baseline <u>1</u> / Above FY 19	FY 20 5/20 Chng to FY 20 Baseline	FY 2020 GF 5/21
TOTAL - ALL SPENDING	10,654,208,900		389,830,900	1,049,772,700	11,834,182,600
REVENUE CHANGES					
Ongoing Revenue					
REV - Ongoing Revenue	10,723,267,600		386,506,700	(16,900,000)	11,158,874,300
REV - Conformity/Wayfair	155,000,000			(24,000,000)	(24,000,000)
REV - Highway Safety Fee Revenue Changes	0			(40,129,600)	(40,129,600)
REV - Charitable Tax Credit	0			(1,200,000)	(1,200,000)
REV - Property Taxes Valuation (Rule B)	0			(750,000)	(750,000)
REV - Low Income Housing Tax Credit	0				FY 22 Impact
REV - Fertilizer TPT Exemption	0			(7,350,000)	(7,350,000)
REV - Corporate STO Deceleration	0				FY 21 Impact
REV - ADOT Automation Revenues	0				FY 21 Impact
REV - Liquor License Fee Diversions	0			(181,300)	(181,300)
REV - Treasurer Other Fund Agency Issues	0			(380,000)	(380,000)
One-Time Revenue					
REV - Beginning Balance	449,632,000		495,370,300	(170,629,900)	774,372,400
REV - Prescription Drug Rebate Transfer	0			69,000,000	69,000,000
REV - Reduce TPT Estimated Payment (Thru FY 23)	0			(10,322,600)	(10,322,600)
REV - One-Time Conformity Offset Loss (Wayfair Partial Year Impact)	0			(28,000,000)	(28,000,000)
REV - Wells Fargo Settlement	0			20,000,000	20,000,000
Prior-Year Enacted Fund Transfers					
REV - FY 2019 Fund Transfers	100,681,700		(100,681,700)		0
REV - DEQ - Air Quality Fund	0		993,900		993,900
REV - DPS - Joint Fund	0		846,800		846,800
TOTAL - REVENUE CHANGES <u>2</u>	11,428,581,300		783,036,000	(210,843,400)	11,911,773,900
ENDING BALANCE	774,372,400		393,205,100	(1,260,616,100)	77,591,300

1/ Represents FY 2020 Baseline cost above FY 2019 Baseline.

2/ Represents all revenue changes, including fund transfers.

DETAILED LIST OF OTHER FUND CHANGES BY AGENCY

	FY 2019 OF 5/21		FY 20 Baseline 1/ Above FY 19	FY 20 5/20 Chng to FY 20 Baseline	FY 2020 OF 5/21
OPERATING SPENDING CHANGES					
SBA - State Board of Accountancy	2,037,900				2,037,900
ACU - Acupuncture Board of Examiners	171,900				169,700
ACU - Administrative Staff Consolidation				(2,200)	
DOA - Arizona Department of Administration	194,938,400				204,906,000
DOA - Remove One-Time Monument/Memorial Repair Funding			(25,300)		
DOA - Cybersecurity Controls (Funded with New Charge)				2,888,600	
DOA - Enterprise Email and Calendar Solution				4,500,000	
DOA - Government Transformation Office Operations (1 FTE)				1,000,000	
DOA - Government Website Support (One-Time)				250,000	
DOA - Shared Hosted Data Center Operating Costs				1,354,300	
APF - Automation Projects Fund/ADOA	23,125,100				17,311,000
APF - ADOA Business OneStop Portal				1,000,000	
APF - Agriculture Weights and Measures IT Assessment				200,000	
APF - Remove One-Time Automation Project Funding			(18,125,100)		
APF - Child Safety - CHILDS Replacement Initiative				5,100,000	
APF - ADE - School Finance System Replacement				3,000,000	
APF - Medical Board - Cloud Migration				300,000	
APF - DPS - Concealed Weapons Tracking System				410,000	
APF - DPS - Criminal Justice System Updates				2,301,000	
AGR - Department of Agriculture	1,720,200				1,746,600
AGR - Nuclear Emergency Management Fund Assessment			26,400		
AXS - AHCCCS	328,044,500				339,294,300
AXS - Formula Changes			5,406,400	(16,730,100)	
AXS - Statutory Adjustments			150,200		
AXS - Prescription Drug Rebate One-Time Fund Shift			36,927,800	(36,927,800)	
AXS - IT System Costs (One-Time)				2,068,000	
AXS - KidsCare				20,355,300	
ART - Arizona Commission on the Arts	2,000,000				0
ART - Remove One-Time Budget Stabilization Fund			(2,000,000)		
BAT - Board of Athletic Training	123,500				123,500

	FY 2019 OF 5/21		FY 20 Baseline 1/ Above FY 19	FY 20 5/20 Chng to FY 20 Baseline	FY 2020 OF 5/21
ATT - Attorney General	49,023,800				53,844,300
ATT - Remove One-Time Sec. of State Litigation Funding			(500,000)		
ATT - Remove One-Time Case Management IT Upgrade Funding			(1,489,000)		
ATT - 3 Southern AZ FTEs (CPRF)				319,000	
ATT - Shift Costs from Anti-Racketeering to CPRF				476,000	
ATT - Shift Criminal Division from RICO to CPRF				850,000	
ATT - Criminal Division CPRF: \$950k '21; \$2.3 M '22 & '23				Yes	
ATT - Rent Restoration				884,500	
ATT - 2 GASL FTEs (CPRF)				250,000	
ATT - Police Equipment Grants (One-Time)				2,500,000	
ATT - Arizona Peace Officer Memorial Fund Deposit (One-Time)				1,000,000	
ATT - Voter Fraud Unit (4 FTEs)				530,000	
ATA - Automobile Theft Authority	5,308,900				5,308,900
BAR - Board of Barbers	401,100				401,100
BHE - Board of Behavioral Health Examiners	1,772,300				1,772,300
DCS - Department of Child Safety	189,715,700				193,345,700
DCS - Remove One-Time Litigation Funding			(3,770,000)		
DCS - Child Care Development Fund Authority				7,400,000	
DCS - Transfer \$608k from Out of Home to Kinship				Yes	
BCE - State Board of Chiropractic Examiners	429,700				429,700
ROC - Registrar of Contractors	12,300,100				12,300,100
COR - Corporation Commission	26,965,900				26,965,900
ADC - Department of Corrections	53,963,100				53,605,100
ADC - Transition Program Expansion				600,000	
ADC - Remove One-Time Equipment Funding			(958,000)		
COS - Board of Cosmetology	1,926,300				1,921,300
COS - Digitization (One-Time)				70,000	
COS - Remove One-Time Document Scanning Funding			(75,000)		
CF - County Funding	500,000				500,000

	FY 2019 OF 5/21		FY 20 Baseline 1/ Above FY 19	FY 20 5/20 Chng to FY 20 Baseline	FY 2020 OF 5/21
JUS - Arizona Criminal Justice Commission	7,258,100				7,058,100
JUS - Remove One-time Criminal Justice Statistics Pilot Funding			(200,000)		
JUS - Appropriate Statistical Analysis Center FTEs (2 FTEs)				Yes	
SDB - AZ State Schools for the Deaf and the Blind	13,607,900				12,799,200
SDB - Base Level Increase - Formula			1,261,300		
SDB - Early Childhood Services Fund Shift			(1,600,000)		
SDB - Remove One-Time Equipment Funding			(470,000)		
HEA - Comm for the Deaf & the Hard of Hearing	4,613,500				4,613,500
HEA - Public Research/Policy FTE				Yes	
DEN - Board of Dental Examiners	1,300,500				1,212,700
DEN - Remove One-Time Document Scanning			(87,800)		
DES - Department of Economic Security	290,774,900				336,103,900
DES - Child Care Development Fund Authority				48,400,000	
DES - Remove One-Time Early Intervention Funding			(1,900,000)		
DES - Replace One-Time Adult Services Funding with Federal \$			(1,171,000)		
ADE - Arizona Department of Education	291,154,100				304,027,900
ADE - Land Trust Distribution			12,800,000	573,800	
ADE - Remove One-Time Code Writing Funding			(500,000)		
EMA - Department of Emergency & Military Affairs	1,461,600				1,458,800
EMA - Nuclear Emergency Management Fund Assessment			(2,800)		
DEQ - Department of Environmental Quality	82,063,500				84,632,800
DEQ - Wastewater Infrastructure - Nogales (VEI/Air Quality)				2,569,300	
OEO - Governor's Office of Equal Opportunity	190,700				190,700
COL - Arizona Exposition and State Fair Board	12,549,300				13,204,900
COL - Prop 206 Minimum Wage Increase				90,600	
COL - Security				565,000	
DFI - Dept of Financial Institutions	4,012,600				4,000,600
DFI - Remove One-Time Equipment Funding			(12,000)		

	FY 2019 OF 5/21		FY 20 Baseline 1/ Above FY 19	FY 20 5/20 Chng to FY 20 Baseline	FY 2020 OF 5/21
EMB - Board of Funeral Directors and Embalmers	443,400				379,700
EMB - Remove One-Time IT Funding (Add 20 lapsing)			(75,000)		
EMB - Retirement Payout				11,300	
FIS - Arizona Game and Fish Department	42,752,600				42,752,600
GAM - Department of Gaming	15,657,700				16,009,700
GAM - Unarmed Combat Subaccount (Now Appropriated Fund)			126,500	(26,500)	
GAM - Yavapai Racetrack Staffing				252,000	
DHS - Department of Health Services	51,203,700				56,060,200
DHS - COSF/Indirect Fund Lab Cost Shift (\$230.1K)				Yes	
DHS - 25 FTEs Licensing (2018 Opioid Bill)				2,686,500	
DHS - Radiation Reg Salaries/Other				660,000	
DHS - Licensing Indirect Cost Charge				1,200,000	
DHS - Retain One-Time Alzheimer's Funding			(2,000,000)	2,000,000	
DHS - Retain Multi-Year Biomedical Research Funding			(2,000,000)	2,000,000	
DHS - ASH Temporary Staff Cost Increase				310,000	
HOM - Board of Homeopathic & Integrated Medicine Examiners	90,700				40,200
HOM - Share Staff with Acupuncture				(50,500)	
DOH - Department of Housing	322,200				322,200
IND - Industrial Commission	20,001,800				20,001,800
SPA - Judiciary - Supreme Court	30,446,900				30,426,900
SPA - Remove One-Time IT Programming Funding			(20,000)		
SUP - Judiciary - Superior Court	11,958,100				11,958,100
DJC - Department of Juvenile Corrections	17,657,400				6,397,400
DJC - Eliminate County Cost Sharing (Non-Maricopa/Pima Permanent)				(11,260,000)	
LAN - State Land Department	8,048,800				8,048,800
LIQ - Department of Liquor Licenses & Control	3,086,000				3,267,300
LIQ - Litigation Costs/General Operating				20,000	
LIQ - Increase AG Assignment to Full Time				69,600	

	FY 2019 OF 5/21	FY 20 Baseline 1/ Above FY 19	FY 20 5/20 Chng to FY 20 Baseline	FY 2020 OF 5/21
LIQ - Information Technology Funding			50,000	
LIQ - Add Customer Service FTE			41,700	
LOT - Arizona State Lottery Commission	138,586,200			146,787,100
LOT - Tab Ticket Increase		175,900		
LOT - On-Line Sales Decrease		(1,301,100)		
LOT - Instant Ticket Sales Increase		2,693,100		
LOT - Retailer Commissions Increase		6,633,000		
BMT - Board of Massage Therapy	460,900			460,900
MED - Arizona Medical Board	6,987,100			6,987,100
MIN - State Mine Inspector	112,900			112,900
NAT - Naturopathic Physicians Medical Board	187,400			187,400
NAV - Navigable Stream Adjudication Commission	200,000			200,000
NUR - State Board of Nursing	4,738,200			4,738,200
NUR - FTE Position Increase (6.3 FTEs)		Yes		
NCI - Nursing Care Inst. Administrators Board	443,600			443,600
OCC - Board of Occupational Therapy Examiners	190,100			197,200
OCC - Contract with Athletic Training Board			7,100	
DIS - State Board of Dispensing Opticians	149,100			149,100
OPT - State Board of Optometry	243,800			233,800
OPT - Remove One-Time Document Scanning Funding		(10,000)		
OST - AZ Board of Osteopathic Examiners in Medicine/Surgery	903,500			997,200
OST - Increased Investigation Staff Hours			93,700	
SPB - Arizona State Parks Board	14,771,400			16,630,600
SPB - Eliminate OHV Fund for Operating/Backfill with Park Fees			692,100	
SPB - Great Western Trail (OHV)			692,100	
SPB - Arizona Trail			250,000	
SPB - Buckskin Fire District Equipment			225,000	

	FY 2019 OF 5/21		FY 20 Baseline 1/ Above FY 19	FY 20 5/20 Chng to FY 20 Baseline	FY 2020 OF 5/21
PER - Personnel Board	361,000				361,000
PER - Reduction in FTE Position			(42,200)	42,200	
PHA - Arizona State Board of Pharmacy	2,190,000				2,642,200
PHA - Compliance Officer and Investigators (3 FTEs)				329,000	
PHA - Full-Time Assistant Attorney General				68,200	
PHA - New Office Equipment (One-Time)				55,000	
PHY - Board of Physical Therapy Examiners	499,600				494,600
PHY - Remove One-Time Document Scanning Funding			(5,000)		
PIO - Arizona Pioneers' Home	6,684,000				6,552,200
PIO - Remove One-Time Equipment Funding				(131,800)	
POD - State Board of Podiatry Examiners	161,900				161,900
POS - Commission for Postsecondary Education	1,537,200				1,537,200
PRI - Board for Private Postsecondary Education	417,800				417,800
PSY - State Board of Psychologist Examiners	495,000				507,000
PSY - E-Licensing System Enhancements				12,000	
DPS - Department of Public Safety	188,320,300				239,172,400
DPS - Remove One-Time Maricopa County Troopers Funding			(397,000)		
DPS - Remove One-Time Southern Arizona Troopers Funding			(793,900)		
DPS - Continue One-Time AZPOST Funding (Highway Patrol Fund)			(837,000)	1,027,300	
DPS - Adjust Peace Officer Training Equipment Funding			(2,005,500)		
DPS - Highway Safety Fee Fund Shift			30,000,000	24,056,800	
DPS - HURF Reduction/Highway Safety Fee Shift (\$15.5 M)			Yes	Yes	
DPS - State Highway Fund/Highway Safety Fee Shift (\$7.5 M)			Yes	Yes - \$7.3 M	
DPS - Remove One-Time Phar. Diversion Task Force Funding			(198,600)		
DPS - Shift Drug Task Force to Highway Patrol (\$559k)				Yes	
RUC - Residential Utility Consumer Office	1,342,600				1,342,600
RES - Board of Respiratory Care Examiners	314,400				314,400
RET - Arizona State Retirement System	25,030,300				24,130,300

	FY 2019 OF 5/21		FY 20 Baseline 1/ Above FY 19	FY 20 5/20 Chng to FY 20 Baseline	FY 2020 OF 5/21
RET - 5 FTE Positions Reduction			Yes		
RET - Long Term Disability Contract Savings			(400,000)		
RET - Remove One-Time IT Funding			(500,000)		
REV - Department of Revenue	47,323,200				49,348,500
REV - Remove ESA Administration Funding (Prop 305)			(50,000)		
REV - Increase Unclaimed Property Audit Funding			150,300		
REV - Remove One-Time TPT Contracting Study Funding			(75,000)		
REV - Formalize ISA from AHCCCS for Tobacco Tax Unit				Yes	
REV - Wayfair Administration (One-Time)				2,000,000	
SOS - Secretary of State	8,823,600				744,400
SOS - Reduction of Elections Services Line Item				(615,500)	
SOS - Remove Voter Registration System Funding			(2,063,300)		
SOS - Remove Unallocated HAVA Funding			(5,400,400)		
TEC - State Board of Technical Registration	2,291,700				2,189,700
TEC - Remove One-Time e-Licensing				(102,000)	
DOT - Department of Transportation	414,458,300				431,674,700
DOT - Remove One-Time Equipment Funding			(2,434,200)		
DOT - Shift \$25.6M from Highway Maintenance to Preventative Trtmt				Yes	
DOT - Increase Preventative Road Treatment				10,535,200	
DOT - New South Mountain Freeway Maintenance				2,173,000	
DOT - Highway Maintenance Workload				514,900	
DOT - Security Systems - Ports of Entry				951,500	
DOT - Highway Damage Recovery Appropriation Adjustment				4,000,000	
DOT - Second Special License Plate				122,500	
DOT - Driver License and License Plate Volume Increase				297,700	
DOT - Rent Appropriation Correction				127,800	
DOT - New Flagstaff Office Appropriation Extension				Yes	
DOT - SETIF and VITEF \$600K Shift				Yes	
DOT - Weigh Scales Line Item Shift				Yes	
DOT - Interlock and DUI Fund \$170K Shift				Yes	
DOT - Create ADOT Motor Pool Fund				In FY 21	
DOT - Aeronautics Program Grant Management (2 FTEs)				178,000	
DOT - License Plate/Signage				750,000	
TRE - State Treasurer	5,429,600				5,809,600
TRE - 3 FTEs/IT Upgrades				380,000	

	FY 2019 OF 5/21		FY 20 Baseline 1/ Above FY 19	FY 20 5/20 Chng to FY 20 Baseline	FY 2020 OF 5/21
UNI - Universities					
UNI - ASU	663,674,600				663,674,600
UNI - Northern Arizona University	160,958,900				160,958,900
UNI - UA - Main Campus	385,101,700				385,101,700
UNI - UA - Health Sciences Center	53,623,800				53,623,800
VSC - Department of Veterans' Services	35,414,100				35,414,100
VME - Veterinary Medical Examining Board	605,500				591,100
VME - Remove One-Time E-Licensing Upgrade Funding			(14,400)		
WAT - Department of Water Resources	2,427,100				2,427,100
OTH - Other					
OTH - ADOA Federal Financial Participation Repayment Supplemental	9,168,400		(9,168,400)		0
OTH - ADOA - APF - e-Licensing Project Supplemental	(450,000)		450,000		0
OTH - DCS Child Care Subsidy Rate Supplemental	7,400,000		0		0
OTH - DES Child Care Subsidy Rate Supplemental	48,400,000		0		0
OTH - DES DD State-Only Caseload Growth Supplemental	1,000,000		0		0
OTH - ADE Basic State Aid Supplemental	6,833,400		0		0
OTH - Named Claimants Supplemental	298,600		0		0
OTH - Risk Management Adjustments (No Change to ADOT)	0		0	623,400	623,400
OTH - IT Pro Rata Adjustments	0		0	900,000	900,000
OTH - Retirement Adjustments	0		0	4,000,000	4,000,000
OTH - Salary Adjustments	0		0	1,196,000	1,196,000
OTH - HITF Premiums - Eliminate One-Time '19	0		(10,000,000)	0	(10,000,000)
OTH - HITF '20 Premium One-Time Adjustments	0		0	10,000,000	10,000,000
OTH - Agency Rent Adjustments	0		0	(70,000)	(70,000)
OTH - COSF Rental Rate Increase	0		0	1,300,000	1,300,000
OTH - Shared Services Adjustments	0		0	100,000	100,000
OTH - Unallocated HITF One-Time Employer Premium	1,306,900		(1,306,900)		0
OTH - Unallocated State Rent - Agency Relocation	(3,700)		3,700		0
OTH - Unallocated State Rent Increase	246,500		(246,500)		0
OTH - Unallocated IT Rate Increase	72,200		(72,200)		0
OTH - Unallocated Retirement Adjustments	416,000		(416,000)		0
OTH - Unallocated Elected Officials Retirement Adjustments	22,300		(22,300)		0

	FY 2019 OF 5/21		FY 20 Baseline 1/ Above FY 19	FY 20 5/20 Chng to FY 20 Baseline	FY 2020 OF 5/21
TOTAL - OPERATING SPENDING CHANGES	\$4,055,295,400		22,063,700	122,890,600	\$4,136,317,700
CAPITAL SPENDING CHANGES					
Building Renewal					
Arizona Department of Administration	11,000,000			6,000,000	17,000,000
ADC Building Renewal	5,464,300			1,400,000	6,864,300
Game & Fish Department	981,400		62,300	See Below	1,043,700
Arizona Lottery Commission	126,300		7,800		134,100
Arizona Department of Transportation	5,492,000			7,789,700	13,281,700
New Projects					
ADOA - 1275 W. Washington Demolition	1,000,000		(1,000,000)		0
ADOA - Capitol Mall Consolidation Fund	10,000,000		(10,000,000)		0
ADOA - Air Handler Units	0			1,000,000	1,000,000
ADOA - Capitol Mall Elevator Replacement Supplemental	4,100,000				0
State Fair Civic Building Roof	0			400,000	400,000
Arizona Exposition and State Fair	1,000,000		(1,000,000)	1,300,000	1,300,000
Game & Fish Department - Dam Maintenance	150,000		(150,000)	150,000	150,000
Game & Fish Department - Property Maintenance	300,000		(300,000)	300,000	300,000
Game & Fish Department - Hatchery Maintenance	0			400,000	400,000
State Parks Board Capital Projects	2,000,000		(2,000,000)		0
State Parks Board - Buckskin Mountain (+ \$1M SLIF)	1,500,000		(1,500,000)		0
State Parks Board - Oracle State Park	4,000,000		(4,000,000)		0
State Parks Board - Tonto Bridge Repairs	0			1,250,000	1,250,000
Pioneers' Home - Building Repairs	600,000		(600,000)	414,000	414,000
DPS - 202 Radio Tower	0		0	309,000	309,000
DPS - Remote Officer Housing (Highway Patrol)	800,000		(800,000)	2,400,000	2,400,000
ADOT - Statewide Highway Construction	114,952,000		14,536,000		129,488,000
ADOT - Controlled Access	103,833,000		9,609,000		113,442,000
ADOT - Debt Service	144,232,000		6,270,000		150,502,000
ADOT - Airport Planning	18,798,500		4,321,500	10,000,000	33,120,000
ADOT - Seligman/Williams Maintenance Bldgs	0		0	2,300,000	2,300,000
ADOT - Wickenburg Maintenance Yard	0		0	4,600,000	4,600,000
ADOT - Spreader Racks - Replacing 17	1,720,000		(1,720,000)		0
ADOT - Keams Canyon Truck Barn/Office	1,790,000		(1,790,000)		0
ADOA - Interstate 17 Expansion	0			40,000,000	40,000,000
ADOT - New Materials Test Lab	2,250,000		(2,250,000)		0
Veterans' Services - Flagstaff/Yuma Homes Additional Costs	8,000,000		(8,000,000)		0

	FY 2019 OF 5/21		FY 20 Baseline <u>1</u> / Above FY 19	FY 20 5/20 Chng to FY 20 Baseline	FY 2020 OF 5/21
TOTAL - CAPITAL SPENDING CHANGES	\$444,089,500		(303,400)	80,012,700	\$519,698,800
TOTAL - OPERATING & CAPITAL SPENDING	\$4,499,384,900		21,760,300	202,903,300	\$4,656,016,500
FUND TRANSFERS					
APF/DOA - Automation Projects Fund - All For IT Projects					
APF/DOA - ADOA Automation Operations for IT	5,330,000		(5,330,000)		0
APF/DOA - ADOA State Web Portal for IT	3,517,000		(3,517,000)		0
APF/DOA - ADOA Personnel Fund for IT	171,900		(171,900)		0
APF/DOA - Behavioral Health Examiners for e-Licensing	450,000		(450,000)		0
APF/DOA - DEQ Permit Administration for IT	1,800,000		(1,800,000)		0
APF/DOA - DEQ Underground Storage Tank for IT	1,400,000		(1,400,000)		0
APF/DOA - Public Safety Equipment Fund for DPS IT	1,250,000		(1,250,000)		0
APF/DOA - DPS Highway Patrol Fund for IT	2,806,200		(2,806,200)		0
APF/DOA - DFI Receivership Revolving Fund for e-Licensing	1,400,000		(1,400,000)		0
APF/DOA - ADE Empowerment Scholarship Account Fund for AELAS				3,000,000	3,000,000
APF/DOA - Medical Examiners Board Fund for IT				300,000	300,000
APF/DOA - DPS Highway Patrol Fund for IT				2,301,000	2,301,000
APF/DOA - DPS Concealed Weapons Permit Fund for IT				410,000	410,000
APF/DOA - Agriculture Air Quality Fund for IT				200,000	200,000
TOTAL - FUND TRANSFERS	\$18,125,100		(18,125,100)	6,211,000	\$6,211,000

1/ Represents FY 2020 Baseline cost above FY 2019 Baseline.

FY 2020 BUDGET RECONCILIATION BILL PROVISIONS

The budget includes the enactment of statutory changes associated with its funding amount. The following provisions would be grouped by subject into Budget Reconciliation Bills (BRBs).

BUDGET PROCEDURES (HB 2751/SB 1550)

Statewide	<u>Section</u>
1. As session law, increase the FY 2020 Capital Outlay Stabilization Fund (COSF) rental rate charged by the Arizona Department of Administration (ADOA) at \$17.87/square foot for rentable office space and \$6.43/square foot for rentable storage space.	14
2. As session law, continue to require unrestricted Federal Funds to be deposited in the General Fund for the payment of essential government services.	13
3. As permanent law, change the Information Technology pro rata rate from 0.3% to 0.43%.	3
4. As permanent law, change the deadline, from June 1 to July 1, for the Governor to provide the forms to be used by budget units in submitting their budget estimates and request for appropriations. (Session law last year).	6
5. As session law, continue to notwithstanding the requirements for any deposit to or any withdrawals from the Budget Stabilization Fund through FY 2022.	15
6. As permanent law, reduce the number of hard copies of budget submissions from state agencies from 5 to 2.	7
7. As permanent law, require agencies to seek approval from OSPB and ADOA prior to implementing line item transfers.	2,8
Arizona Department of Administration	
8. As permanent law, eliminate the JLBC review requirement for the AFIS transaction fee.	10
9. As permanent law, modify requirement that ADOA annually report on the Emergency Telecommunication Services Revolving Fund to include all expenditures and eliminate JLBC review requirement. Previous session law required ADOA to submit a report for review on wireless expenditures.	9
10. As permanent law, amend A.R.S. § 18-421 to expand the allowable uses of the State Web Portal Fund to include operations of the Government Transformation Office.	4
Office of Economic Opportunity	
11. As permanent law, require the Arizona Industrial Development Authority to report on its annual revenues, expenditures, and program activity by October 1 annually.	11
Public Safety Personnel Retirement System	
12. As session, notwithstanding statute to require PSPRS to submit a final report on contribution rate for the ensuing fiscal year on December 1 st instead of December 31 st .	18
Department of Revenue	
13. As permanent law, continue to allow the Liability Setoff Program Revolving Fund to be used for general operating expenditures of the department. This provision had previously been authorized as session law.	12

Secretary of State

14. As permanent law, create a county contributions fund for the operational costs of the state's voter registration system. County contributions currently comingled with other monies. 1

Department of Transportation

15. As permanent law, establish an appropriated Motor Pool Fund for the purposes of reimbursing the Department of Transportation for costs related to implementing an intergovernmental agreement with the Department of Administration. The fund would become effective July 1, 2020. As session law, require a joint report of ADOA and ADOT to the JLBC and OSPB by December 1, 2019 and December 1, 2020 on the progress in transitioning the state motor pool operations to the ADOT and necessary legislative changes to fully implement the transfer. 5,16

State Treasurer

16. As session law, when merging the Treasurer's Operating and Management Funds, include language to transfer the unexpended and unencumbered balance 17

CRIMINAL JUSTICE(HB 2752/SB 1557)**Section****Attorney General – Department of Law**

17. As session law, on June 30, 2019, transfer to the General Fund any unobligated balance from the Colorado River Land Claims Revolving Fund. 9
18. As permanent law, prohibit the use of the Anti-Racketeering Revolving Fund (ARRF) for FTE Positions or other ongoing costs within the Attorney General's office. 1
19. As permanent law, increase the non-appropriated expenditure authority of the Consumer Remediation Subaccount from \$3,500,000 to \$4,000,000. 7

State Department of Corrections

20. As session law, continue to require the department to report actual FY 2019, estimated FY 2020, and requested FY 2021 expenditures as delineated in the prior year when the department submits its FY 2021 budget request pursuant to A.R.S. § 35-113. 14
21. As permanent law, exempt correctional officers from jury duty until January 1, 2022. 2

Department of Emergency and Military Affairs

22. As session law, extend to FY 2020 the lapsing date of the FY 2019 appropriation of \$1.25 million from the Military Installation Fund for the construction of a new Readiness Center. 8

Department of Juvenile Corrections

23. As permanent law, repeal the requirement for all counties except Maricopa and Pima to pay an assessed amount determined by the county's proportional share by population of \$11,260,000 for the costs of the Department of Juvenile Corrections. As session law, suspend the \$8,450,900 in county cost sharing for Maricopa and Pima Counties on a one-time basis in FY 2020. 6,17

Department of Public Safety

24.	As session law, continue to require the Department of Public Safety (DPS) to receive JLBC review of the expenditure plan for the Gang and Immigration Intelligence Team Enforcement Mission (GIITEM) Border Security and Law Enforcement Subaccount FY 2020 appropriation prior to its expenditure.	12
25.	As session law, continue to allow the use of the Concealed Weapons Permit Fund and the State Aid to Indigent Defense Fund for DPS operating expenses.	15
26.	As session law, continue to allow DPS to utilize \$144,900 from the FY 2020 GIITEM Subaccount appropriation for costs related to an increase in the PSPRS employer contribution rate.	13
27.	As session law, continue to allocate \$400,000 from the GIITEM General Fund distribution to the Pima County Sheriff's Office.	11
28.	As session , allow DPS to use the Highway Patrol Fund for the Pharmaceutical Diversion and Drug Theft Task Force on a one-time basis in FY 2020. The Task Force had previously been funded by the Arizona Drug and Gang Resource Center Fund.	16
29.	As session law, allow the Department of Public Safety to use the Board of Fingerprinting Fund for capital expenditures.	10
30.	As permanent law, deposit the Highway Safety Fee into a new separate fund instead of the Highway Patrol Fund beginning in FY 2021.	4,5
31.	As permanent law, set the Highway Safety Fee at \$26 on January 1, 2020, \$20 on January 1, 2021, \$15 on January 1, 2022, \$10 on January 1, 2023, and \$0 on January 1, 2024.	3
32.	As permanent law, repeal the requirement that the ADOT director establish the Highway Safety Fee at 110% of the cost of the Highway Patrol budget.	3

ENVIRONMENT (HB 2753/SB 1556)**Section****Department of Agriculture**

33.	As permanent law, authorize the department to re-record livestock brands of the same design that were issued prior to August 3, 2017 without protest.	1
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Department of Environmental Quality

34.	As session law, continue to allow the department to utilize up to \$6,531,000 from the Underground Storage Tank (UST) Fund in FY 2020 for department administrative expenses and for sewage remediation.	8
35.	As session law, continue to suspend the requirement to appropriate \$15,000,000 from the state General Fund to the Water Quality Assurance Revolving Fund (WQARF). The fund sources for WQARF in FY 2020 would be as follows: \$4,600,000 from the Air Quality Fund, \$3,800,000 from the Vehicle Emissions Inspection Fund, \$2,152,000 from the Recycling Fund, \$2,000,000 from the Permit Administration Fund, and \$1,000,000 from the Water Quality Fee Fund for a total of \$13,552,000. With \$2,000,000 of non-appropriated funds, total WQARF funding would be \$15,552,000.	10
36.	As session law, continue to include a legislative intent statement that the WQARF appropriations are being supplemented by \$2,000,000 of non-appropriated monies directly deposited into WQARF, which consists of other revenue generated from various license and registration fees.	10
37.	As session law, continue the FY 2019 level of vehicle emissions inspection fees in FY 2020 (FY 2019 fees are \$3 less than FY 2016 in Area A, which includes Maricopa County and portions of Pinal and Yavapai Counties.)	11
38.	As permanent law, amend A.R.S. § 49-544 to allow the department to use the Vehicle Emissions Inspections Fund to pay for the travel reduction programs in Maricopa and Pima Counties.	5

39. As permanent law, allow monies in the Permit Administration Fund to be used for staff support to the Oil and Gas Conservation Commission. 4

Department of Forestry and Fire Management

40. As permanent law, increase the maximum loan that the Department of Forestry and Fire Management may receive from the Budget Stabilization Fund for federal wildland fire claims expenses awaiting reimbursement from the federal government from \$10,000,000 to \$20,000,000. 2
41. As permanent law, establish the Nonnative Vegetative Species Eradication Fund to provide grants to other state agencies, cities, towns, counties, Indian tribes, other political subdivisions, and nonprofit organizations for projects that will assist in preventing fire and flooding, conserving water, replacing nonnative vegetative species with native vegetative species and restoring habitat to wildlife. The fund would be non-appropriated and would consist of legislative appropriations. Requires a September 1, 2020 report from the department to the Legislature on the use of the funds from the prior year. 3

Arizona Navigable Stream Adjudication Commission

42. As session law, continue to allow use of the Water Banking Fund for the commission's legal obligations. 9

Arizona State Parks Board

43. As session law, require the board to allocate \$692,100 from the Off-Highway Vehicle Recreation Fund for the Great Western Trail instead of the agency operating budget. The agency's operating budget is increased by a corresponding \$692,100 from the State Parks Revolving Fund. 6

Department of Water Resources

44. As session law, continue to allow the department's Water Protection Fund Commission to spend up to \$336,000 on administrative functions out of their unobligated balances in FY 2020. 7
45. As session law, continue to allow the department non-municipality special fee authority, including an intent clause that limits additional revenue up to \$100,200, and exempt the department from rulemaking for this purpose. 12

HEALTH (HB 2754/SB 1553)

Section

AHCCCS

Rates and Services

46. As session law, continue the FY 2010 risk contingency rate reduction for all managed care organizations. Continue to impose a reduction on funding for all managed care organizations administrative funding levels. 16
47. As permanent law, repeal the requirement that AHCCCS freeze enrollment in the KidsCare program when the match rate falls below 100%. Restores AHCCCS authority to freeze enrollment if the director determines that state and federal funding for the program is insufficient. 10

Counties

48. As session law, set the FY 2020 county Arizona Long Term Care System (ALTCs) contributions at \$290,276,100. 11
49. As session law, set the County Acute Care contribution at \$46,161,700. This amount includes an inflation indexing of the Maricopa County contribution as required by Laws 2005, Chapter 328. 14
50. As session law, continue to exclude Proposition 204 administration costs from county expenditure limitations. 15

51.	As session law, continue to require AHCCCS to transfer any excess monies back to the counties by December 31, 2020 if the counties' proportion of state match exceeds the proportion allowed in order to comply with the Federal Affordable Care Act.	13
<i>Hospitals</i>		
52.	As session law, continue to establish FY 2020 disproportionate share (DSH) distributions to the Maricopa Special Healthcare District (MIHS), the Arizona State Hospital, private qualifying disproportionate share hospitals, and Yuma Regional Medical Center. Keep the MIHS distribution of \$113,818,500 in FY 2020.	12
53.	As session law, continue to require AHCCCS to give priority to rural hospitals in Pool 5 distribution, and allow MIHS to be eligible for Pool 5 allocations. Permit local jurisdictions to provide additional local match for Pool 5 distributions.	12
<i>Available Funding</i>		
54.	As session law, continue to state that it is the intent of the Legislature that AHCCCS implement a program within its available appropriation.	19
<i>Reports</i>		
55.	As permanent law, continue to require AHCCCS and the Department of Health Services (DHS) to submit a joint report to the Legislature and the Governor by January 2 of each year on hospital costs and charges. This provision had previously been authorized as session law.	9
56.	As permanent law, continue to require AHCCCS to report to JLBC on or before January 2 of each year on the availability of inpatient psychiatric treatment and "psychiatric boarding" in emergency rooms for children and adults enrolled in Arizona's Regional Behavioral Health Authorities. This provision had previously been authorized as session law.	9
Department of Economic Security		
57.	As session law, notwithstanding A.R.S. § 36-108.01 in order to allow the Department of Economic Security to use the Health Services Lottery Fund for a Division of Developmental Disabilities (DDD) State-Only shortfall in FY 2019.	18
Department of Health Services		
58.	As permanent law, continue to require all cities and counties to pay 100% of cost of Restoration to Competency treatment. Allow counties to use any source of county revenue to make the transfers. This provision had previously been authorized as session law.	1
59.	As permanent law, continue to notwithstanding A.R.S. § 36-773 to permit DHS to use Tobacco Tax and Health Care Fund - Health Research Account for Alzheimer's disease research. This provision had previously been authorized as session law.	8
60.	As session law, continue to notwithstanding A.R.S. § 5-572 and A.R.S. § 36-108.01 to allow the Health Services Lottery monies to be used for homeless pregnant women services.	18
61.	As session law, continue fee raising authority and an exemption relating to establishing fees for the Bureau of Radiation Control in FY 2020. Includes an intent clause that limits additional revenues to \$1,900,000.	17
62.	As permanent law, continue to allow DHS to use the Disease Control Research Fund for AIDS reporting and surveillance. This provision had previously been authorized as session law.	2
63.	As permanent law, require the Department of Health Services to license a new class of secure behavioral health residential facilities that provide 24-hour onsite supervision to individuals with a serious mental illness who are chronically resistant to treatment and are placed in the facility pursuant to a court order.	4,5,6,7
64.	As permanent law, only permit unlicensed behavioral health workers ages 18-20 to serve individuals receiving outpatient behavioral health services. Inpatient behavioral health care would require unlicensed behavioral health workers to be age 21 or older.	3

HIGHER EDUCATION (HB 2750/SB 1552)

	<u>Section</u>
Community Colleges	
65. As session law, continue to suspend the Operating State Aid funding formula in FY 2020 for Maricopa and Pima Counties.	7
66. As session law, continue to suspend Science, Technology, Engineering and Mathematics and Workforce Programs funding formula for FY 2020 and specify the funding in the General Appropriation Act, which for Pinal would again equal \$96,500.	6
67. As permanent law, prohibit community college district employees from being compensated for work performed on behalf of an elected employee representative organization.	1
Universities	
68. As session law, continue to suspend the statutory requirement that the state provide a 2:1 ratio of state funding to student fees deposited into Arizona Financial Aid Trust (AFAT).	5
69. As permanent law, amend A.R.S. § 35-146 to allow each university to retain revenue from tuition and fees instead of remitting those monies to the State Treasurer.	4
70. As permanent law, expand eligibility for the Arizona Teachers Academy to include resident and non-resident university students enrolled in education and non-education majors and community college students enrolled in a post-baccalaureate teacher certification program.	2
71. As permanent law, in addition to STEM programs, require the Arizona Teachers Academy to include accelerated models for special education and students committed to teaching in critical need areas of the state.	2
72. As permanent law, set Arizona Teachers Academy scholarships at \$5,000 per university student and \$3,000 per community college student, and require scholarships be awarded after all other gift aid received.	2
73. As permanent law, require ABOR, in consultation with eligible postsecondary institutions, to develop centralized administrative processes for the Arizona Teachers Academy.	2
74. As permanent law, require ABOR to establish criteria for distributing monies appropriated for the Arizona Teachers Academy to eligible institutions.	2
75. As permanent law, limit expenditures of monies appropriated for the Arizona Teachers Academy to scholarships, induction services, marketing and promotion and administration of the program. Caps spending for administrative and marketing expenses at 3%.	2
76. As permanent law, cap tuition waivers for the Arizona Teachers Academy at 4 years (8 semesters) for university students and 2 years (4 semesters) for community college students in post-baccalaureate programs.	2
77. As permanent law, require non-Education majors in the Arizona Teachers Academy to complete one or more teacher preparation courses prior to graduation.	2
78. As permanent law, not allow universities and community colleges to charge the remaining balance of tuition and fees if the waiver provided does not cover the total cost.	2
79. As permanent law, require that tuition waivers for Arizona Teachers Academy enrollees be net of any institutional aid, federal grants, and other scholarships received.	2
80. As permanent law, require the Arizona Teachers Academy teaching commitment (one year of support for every one year of teaching) for students concurrently teaching and receiving support to begin after completion of the program.	2
81. As permanent law, require ABOR to establish repayment processes for students who fail to meet Arizona Teachers Academy service requirements.	2

82.	As permanent law, establish the non-appropriated Arizona Teachers Academy Fund consisting of legislative appropriations. The fund will be administered by ABOR and the monies in the fund will be non-lapsing.	2
83.	As permanent law, require the State Treasurer, by August 1 of each year, to reduce the Arizona Teachers Academy appropriation by the amount of unexpended monies in the Arizona Teachers Academy Fund from the prior fiscal year.	2
84.	As permanent law, require ABOR to submit a report to JLBC and OSPB by March 1 of each year including information on Arizona Teachers Academy enrollment and the number of graduates receiving induction services in the current academic year, and information for monies committed from the fund in the current fiscal year.	2
85.	As permanent law, require ABOR to include in the existing Arizona Teachers Academy annual report information on the total number of students enrolled by year of college enrollment and post-baccalaureate status, the number of students receiving induction support services, the number of student who have completed repayment agreements, and ABOR's annual funding distribution by eligible institution. Changes annual report date from July 1 to September 1.	2
86.	As permanent law, repeals a section of the FY 2019 Higher Education BRB that continued the Arizona Teachers Academy after the 2017-2018 academic year. The FY 2020 Higher Education BRB makes the program permanent.	3

HUMAN SERVICES (HB 2755/SB 1554)

		<u>Section</u>
Department of Child Safety		
87.	As permanent law, continue to require the department to report to the JLBC on or before February 1 of each year with the Early Childhood Development and Health Board on collaborative efforts on child welfare issues. This provision had previously been authorized as session law.	1
Department of Economic Security		
88.	As session law, continue to require recipients of Temporary Assistance for Needy Families (TANF) Cash Benefits to pass a drug test in order to be eligible for benefits if the Department of Economic Security (DES) has reasonable cause to believe that the recipient uses illegal drugs.	7
89.	As permanent law, continue to permit DES to reduce income eligibility levels for all child care programs. Require DES to report to the JLBC within 15 days of any change in levels. This provision had previously been authorized as session law.	5
90.	As session law, continue to allow the Special Administration Fund to be used for purposes other than administration of unemployment benefits.	6
91.	As permanent law, repeal the requirement in A.R.S. § 36-2960B to provide an inflation adjustment to the appropriation for DD High Cost/High Need client services.	3
92.	As permanent law, increase the annual fee for never-assisted child support cases from \$25 to \$35 pursuant to federal Bipartisan Budget Act of 2018.	2
Department of Housing		
93.	As permanent law, allow the Department of Housing to expend Housing Trust Fund monies on constructing or renovating facilities and housing assistance, including support services, for individuals with a serious mental illness and who are chronically resistant to treatment.	4

K-12 EDUCATION (HB 2749/SB 1551)

	<u>Section</u>
Department of Education	
<i>Formula Requirements</i>	
94. As permanent law, increase the base level (A.R.S. § 15-901B2), the transportation funding levels (A.R.S. § 15-945A5) and the charter school "Additional Assistance" amounts (A.R.S. § 15-185B4) by 2.0% for standard inflation.	3,7,9
95. As permanent law, increase the base level by an additional \$111.16 (2.8%) to incorporate into Basic State Aid \$164,700,000 for teacher salary increases already appropriated for FY 2020 by Section 136 of the FY 2019 General Appropriation Act.	7
96. As permanent law, modify the Basic State Aid funding formula for education programs in county juvenile detention centers to increase the "base amount" to \$100,000 per county versus \$20,000 currently and the "variable" amount per student within each county program to \$25 per day versus \$15 per day currently. As permanent law, require any excess monies in a county's Detention Center Education Fund to be used to supplement classroom spending.	8
97. As session law, amend Laws 2018, Chapter 285, Sections 27 and 28 to reduce the District Additional Assistance suspension for FY 2020 by an additional \$(64,366,500) and the Charter Additional Assistance suspension for FY 2020 by an additional \$(3,407,200).	16,17
<i>Results-Based Funding</i>	
98. As session law, allocate Results-Based Funding using the same formula that was used in FY 2019, but based on AzMERIT test results from spring 2018 rather than spring 2017. Expands eligibility to schools with AzMERIT test results in the top 10% currently to the top 13% for schools with less than 60% of students eligible for free and reduced-price lunch (FRPL) and to the top 27% for schools with more than 60% FRPL eligibility. As session law, establishes per-pupil funding levels of \$225 for qualifying schools with less than 60% FRPL eligibility and for schools with more than 60% FRPL eligibility that have AzMERIT results in the top 27%, but not the top 13% of schools with more than 60% FRPL eligibility. Qualifying schools with greater than 60% FRPL eligibility and with AzMERIT results in the top 13% with more than 60% FRPL eligibility and alternative schools with an A rating in 2014 would receive \$400. Under permanent law, the Results-Based Funding instead would be distributed to schools with a letter grade A under the A-F performance rating developed by the State Board of Education.	22
99. As permanent law, exclude from free and reduced-price lunch eligibility percentage calculations students who are not eligible to be included in a school's student count (primarily preschool students). Clarifies allowable uses of program funding, and adds reporting requirements.	5
<i>Other</i>	
100. As session law, continue stating that it is the intent of the Legislature and Governor that school districts increase the total percentage of classroom spending in the combined categories of instruction, student support and instructional support as defined by the Auditor General.	23
101. As permanent law, make the American Civics Education Fund a non-appropriated fund to eliminate the need for the Legislature to appropriate monies both into and out of it.	18
102. As permanent law, delete the definition of "base level" for FY 2017 and prior years from A.R.S. § 15-901B2, as they are no longer needed. (A new definition of "base level" is added to A.R.S. § 15-901B2 each year for the upcoming fiscal year.)	7
103. As permanent law, replace obsolete references to the Homeowners Rebate percentage in A.R.S. § 15-972B with the current rebate percentage of 47.19% that was established by DOR for FY 2017 and subsequent years pursuant to Laws 2011, 2 nd Special Session, Chapter 1, Section 127.	10
104. As permanent law, update the Qualifying Tax Rate and State Equalization Tax Rate cited in A.R.S. § 41-1276 to reflect the Truth in Taxation rates established for FY 2020 under it.	14
105. As permanent law, amend A.R.S. § 15-249.06B and F to make the annual report on the College Credit by Examination Incentive Program not subject to JLBC review.	4

106.	As permanent law, modify A.R.S. 15-249.06 to require ADE to make payments to schools no later than March 1 each year. Permit schools to appeal allocation of bonus monies no later than August 1 each year. Permit ADE to withhold up to \$10,000 of bonus monies to address allocation appeals.	4
107.	As permanent law, amend A.R.S. § 15-154 to allow school safety monies to also be used for school counselors or social workers.	1,2
108.	As permanent law, establish the Arizona Industry Credential Incentive Program to provide awards of up to \$1,000 per student for school districts, charter schools or career and technical education districts for high school graduates who obtain a certification, credential, or license that is accepted by a vocation or industry through a career and technical education program. Establishes the Industry Credentials Incentive Fund to be administered by ADE.	6
109.	As permanent law, require the Office of Economic Opportunity to provide a list to the Department of Education by September 1 st annually that identifies and ranks the top occupations in each industry that addresses a critical statewide, regional or local economic need. Following publication of the September 1 st list, ADE shall crosswalk the in-demand list to ADE's credential list and by February 1 st , the Quality Skills Commission shall review the list.	6
110.	As permanent law, require ADE by March 1 st annually to publish a list of CTE certificates, credentials or licenses qualifying for a \$1,000 award from the Arizona Industry Credential Incentive Program. Requires the department to report by February 1 st annually to the President of the Senate, the Speaker of the House, the Governor and the Secretary of State on student participation in the Arizona Industry Credential Incentive program and the distribution of awards by school.	6
111.	As permanent law, allow Arizona Industry Credential Incentive Program awards to school districts, charter schools, and career and technical education districts to be expended on instructional costs and professional development for a CTE teacher, offset the costs of the certification to the student, development costs related to creating or expanding an approved site of a certificate, credential license career and technical program courses, instructional hardware, software or supplies required for the certification, and career exploration and awareness activities for parents students and the community.	6
112.	As permanent law, require the Department of Education to submit to the JLBC annually by March 1 the list of career technical education credentials qualifying for funding under the Arizona industry credential incentive program for the following fiscal year.	6
113.	As session law, amend Laws 2017, Chapter 284 to 1) extend the High-Quality Teacher Professional Development Pilot Program, which provides scholarships and grants of up to \$2,000 for teachers in high-need content areas, until July 1, 2025 versus July 1, 2022 currently, and 2) allow the Department of Education to retain up to 3% of monies appropriated for the pilot program to offset administrative costs.	15
114.	As session law, notwithstanding A.R.S. §15-185 to require the Department of Education to allocate the full amount of the small school weight through FY 2020 to charter schools sponsored by entities other than the State Board for Charter Schools. Prohibits the department from seeking repayment of small school weight monies paid to such schools in prior years. The department would pay 67% of the small school weight to such schools in FY 2021 and 33% of the weight in FY 2022. Addresses ASU Preparatory Charter School.	19
115.	As permanent law, set the K-12 State Equalization Tax Rate (SETR) for a county for a given fiscal year at the lesser of the “normal” statutory rate or the rate that would have generated for its school districts collectively in the prior fiscal year the amount needed to backfill any of their K-12 formula costs not funded by Qualifying Tax Rate (QTR) revenues.	11
116.	As session law, give Duncan Unified and Blue Elementary additional “budget capacity” (spending authority) for FY 2020 and require them to fund that additional budget capacity with carry-forward monies rather than through tax rate increases. The additional capacity could only be expended upon capital.	20
117.	As session law, establish a 3-year community schools pilot program within ADE. The department shall award 3-year grants of up to \$85,000 annually to be used by the awarded school to hire a full-time community school coordinator and develop and implement a community-schools plan.	21

School Facilities Board

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| 118. | As permanent law, require SFB to report to JLBC within 30 days of making a transfer into the Emergency Deficiencies Corrections Fund. | 12 |
| 119. | As permanent law, require the SFB to fund the construction of new schools, if needed, in 2 years for an elementary school, middle school or high school. | 13 |
| 120. | As permanent law, at the point when the SFB approves the distribution of new school construction funding, allow the SFB to decline a portion of the funding if the square footage is no longer needed due to revised enrollment projections. | 13 |
| 121. | As permanent law, change the date, from July 1 to September 1, for school districts to submit their capital plans to SFB. | 13 |
| 122. | As permanent law, change the date, from December 1 to December 15, for the SFB to approve new school construction projects. | 13 |

REVENUE (HB 2756/SB 1555)

	<u>Section</u>
Statewide	
123. As permanent law, require state agencies to include cost estimates associated with local minimum wages exceeding the statewide minimum wage in their budget submissions. The Legislature may allocate an amount to be collected by ADOA from counties, cities, and towns that raise their minimum wage above the statewide minimum wage, which would reimburse the state for cost increases of state services resulting from local minimum wages. Counties, cities, and towns that do not comply with ADOA's collection would have the monies withheld from their Transaction Privilege Tax (TPT) distributions.	1,2
Department of Agriculture	
124. As session law, continue fee changing authority and an exemption relating to establishing fees for the Arizona Department of Agriculture in FY 2020. The bill continues an intent clause that limits additional revenues to \$357,000.	8
Counties and Cities & Towns	
125. As session law, continue to allow counties with a population below 250,000 in the 2010 decennial census to use any source of county revenue to meet a county fiscal obligation for FY 2020, up to \$1,250,000 of county revenue for each county. Requires counties using this authority to report to the Director of JLBC on the intended amount and sources of funds by October 1, 2019.	9
Department of Gaming	
126. As session law, continue to set the Racing Wagering Assessment at 0.5% in FY 2020 only.	6
Department of Insurance	
127. As session law, continue to suspend the requirement that fees collected by the department be between 95% and 110% of the department's appropriation.	7
Department of Revenue	
128. As session law, continue legislative intent statement that local fees to fund the Department of Revenue (DOR) are not to exceed \$20,755,835 and are to be allocated between cities and towns, counties, the Maricopa Association of Governments and the Pima Association of Governments based on the prorated share of all revenues distributed to them (excluding Highway User Revenue Fund money).	10

129. As permanent law, expand the definition of "multistate service providers" used to determine the allocation of the sales of services for corporate income tax purposes to include a taxpayer with more than 2,000 employees in this state and that derives more than 85% of its sales from support services provided to a regionally accredited institution of higher education. Addresses Grand Canyon University. 4,5
130. As permanent law, require that licensed escrow agents file an information return for sales of real property located in Arizona with the Department of Revenue. Licensed escrow agents would be required to submit this return to the Department of Revenue by March 31 for sales closed during the prior calendar year. This provision is intended to increase compliance for capital gains taxes owed by non-residents that sell real estate in the state. 3

OMNIBUS TAX PROVISIONS (CONFORMITY/WAYFAIR) (HB 2757/SB 1546)

Tax Conformity/Wayfair

131. As session law, conforms Arizona to the federal definition of adjusted gross income as of January 1, 2018 for tax year 2018, and January 1, 2019 for tax year 2019. 2,12,30,31
132. As permanent law, reduces the number of tax brackets from 5 to 4 and reduces tax rates as follows: 17

Marginal Income Tax Rate/Bracket Comparison			
<u>Brackets – Current Law</u>	<u>Rates – Current Law</u>	<u>Proposed Brackets</u>	<u>Proposed Rates</u>
\$0 - \$10,600	2.59%	\$0 - \$26,500	2.59%
\$10,601 – 26,500	2.88%	Collapsed	2.59%
\$26,501 - \$53,000	3.36%	\$26,501 - \$53,000	3.34%
\$53,001 - \$159,000	4.24%	\$53,001 - \$159,000	4.17%
\$159,001 and over	4.54%	\$159,001 and over	4.50%

133. As permanent law, remove the Arizona subtraction from taxable income for lottery winnings. 18,19,21
134. As permanent law, increases the standard deduction as follows and indexes the standard deduction for inflation. 23

Standard Deduction Comparison		
<u>Filing Status</u>	<u>Standard Deduction - Current Law</u>	<u>Standard Deduction - Proposed</u>
Single/Married Filing Separate	\$5,312	\$12,000
Single Head of Household	\$10,613	\$18,000
Married Filing Jointly	\$10,613	\$24,000

135. As permanent law, eliminates the personal and dependent exemptions shown below. 3,15,16,20,22, 24,26,28,29

Eliminated Exemptions	
Personal Exemption, No Dependents	\$2,200
Personal Exemption, Married with Dependents	\$6,600
Dependent Exemption	\$2,300

136.	As permanent law, allows taxpayers that take the standard deduction to increase their standard deduction by 25% of their charitable contributions that otherwise would have been deductible had they itemized their tax returns.	14,23
137.	As permanent law, establishes a dependent tax credit of \$100 for each dependent under 17 years old and \$25 for each dependent age 17 and above. This credit is to be phased out for singles with over \$200,000 of adjusted gross income and \$400,000 for married couples filing jointly.	13,27
138.	As permanent law, establish as of October 1, 2019, the economic nexus thresholds under which an out-of-state business be required to collect and remit tax on retail sales in Arizona. If the out-of-state business does not conduct sales through a marketplace facilitator, economic nexus applies if sales in Arizona exceed \$200,000 in calendar year 2019, \$150,000 in calendar year 2020, and \$100,000 in calendar year 2021 and thereafter. If the out-of-state business is a marketplace facilitator, economic nexus applies if sales in Arizona from the marketplace facilitator's own business or on behalf of at least one marketplace seller exceed \$100,000 in the calendar year.	1,4,5,6,7,8,32, 33
139.	As permanent law, require municipal ordinances and other local laws related to the taxation of retail sales be superseded by the state's transaction privilege tax statutes for the retail classification.	10,11
140.	As permanent law, provides cities and towns the option to impose tax on the sales of food for home consumption, textbooks sold at bookstores, livestock and poultry feed sold at feed stores, nonmetalliferous mined materials sold at retail, and works of fine art.	9,11
141.	As session law, provides that the Legislature will not move any sales tax classifications other than retail from the Model City Tax Code to state statute for a period of 5 years from the effective date of the act.	33

FY 2020 MAJOR FOOTNOTE CHANGES

The Baseline includes the following major additions, deletions or modifications of footnotes. This list does not include footnotes pertaining to one-time reports or appropriations or footnote changes conforming to enacted policy.

Arizona Department of Administration

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| 1. | Adds footnote extending the lapsing date of the FY 2017 appropriation for the Department of Corrections automation project appropriation through FY 2020. Adds footnote extending the lapsing date of FY 2018 automation project appropriations to FY 2020. | 3 |
| 2. | Deletes footnote that limits the subsidy that the department may provide for public transit opportunities to 50%. Adds footnote requiring the department to report on pilot projects implemented in FY 2020 with those monies. | 8 |
| 3. | Adds footnote to restrict to \$10.42 per user per month the amount that the department may charge for enterprise email and calendar service. | 8 |
| 4. | Adds footnote requiring ADOA to report to the JLBC 10 days prior to completing the 2010 B Lease-Purchase payoff. | 116 |
| 5. | Adds footnote specifying that the department shall distribute monies in the Public Safety Regional Communications line item to City of Sierra Vista for technology infrastructure maintenance at the Southeastern Arizona Communications Center. | 8 |
| 6. | Modifies footnote requiring the department to report semiannually the status of all capital projects and expenditures rather than just building renewal projects. (Capital) | CO 2 |
| 7. | Adds footnote extending the FY 2019 Capitol Mall Consolidation Fund appropriation through FY 2021. (Capital) | CO 29 |
| 8. | Adds footnote that conditions the availability of the appropriation for a second State Route 24 Ellsworth Road traffic interchange bridge overpass structure on the Maricopa Association of Governments (MAG) including the first bridge overpass structure in its Regional Transportation Plan: Freeway Program in the ADOT Five Year Program by June 30, 2020. If MAG does not include the project in its plan, the appropriation would lapse on June 30, 2020 (Capital) | CO 19 |
| 9. | Adds footnote that conditions the availability of the appropriation for the I-40 Kingman Interchanges on the City of Kingman raising sufficient funds for the remainder of the project budget otherwise the appropriation lapses on June 30, 2024. (Capital) | CO 22 |

Department of Agriculture

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| 10. | Adds footnote specifying that \$137,000 is appropriated from the General Fund for personal services, employee-related expenditures, and salary increases and related expenditures for dairy inspectors. | 11 |
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Attorney General

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| 11. | Adds footnote appropriating \$950,000 in FY 2021, \$2.3 million in FY 2022, and \$2.3 million in FY 2023 from CPRF. | 14 |
| 12. | Adds footnote requiring the Attorney General to submit a report on its distribution of police equipment grants to the President of the Senate, Speaker of the House, JLBC Staff, and OSPB Staff on or before March 1, 2020. | 14 |
| 13. | Adds footnote requiring the Attorney General to submit a report for review to the JLBC on its expenditure plan for the Arizona Peace Officer Memorial Fund prior to expenditure. | 14 |

Department of Child Safety

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| 14. | Adds footnote requiring the Department of Child Safety to report to JLBC by January 2, 2020 on its efforts to implement the federal Family First Prevention Act of 2018. The report shall provide information, including any fiscal impacts, associated DCS' efforts to address federal funding changes for congregate care placements and in-home preventive services. | 19 |
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15.	Modifies footnote for the Kinship Stipend to require the department to provide the stipend to all unlicensed kinship caregivers without requiring the caregiver to file an application.	19
Arizona Commerce Authority		
16.	Adds footnote appropriating \$3 million to the ACA in FY 2020 for rural broadband development. Requires the ACA report to the joint legislative budget committee on or before January 31, 2020 on its plan for distributing these grants. The appropriation is non-lapsing.	122
Community Colleges		
17.	Adds footnote requiring that the Dine board of regents submit a report by October 15, 2020 which details the course completion rate for students who received remedial education during the 19-20 academic year.	20
Department of Corrections		
18.	Modifies footnote establishing annual bed capacity report to require ADC to provide rationale for 1) closing permanent beds rather than temporary beds or 2) opening new beds.	24
19.	Adds footnote requiring department to report on inmate healthcare performance measures on or before August 1, 2019 and February 1, 2020.	24
20.	Modifies footnote requiring the department to report semiannually the status of all capital projects and expenditures rather than just building renewal projects. (Capital)	CO 2
21.	Adds footnote specifying that the appropriation includes \$5,083,500 from the State General Fund to provide a 10% salary adjustment to correctional officers at private prisons.	24
22.	Adds footnote delineating the department's lump sum includes \$384,534,400 for personal services and \$240,063,200 for employee related expenditures. Requires the department to submit an expenditure plan for JLBC review prior to spending these monies on non-personal services or employee related expenditures.	24
23.	Adds footnote requiring department to submit a report on quarterly benchmarks for correctional officer staffing for JLBC review	24
24.	Modifies existing footnote requiring the department to submit a monthly on month and year-to-date expenditures to include correctional officer staffing levels.	24
25.	Adds footnote requiring the department to obtain approval from the Arizona Strategic Enterprise Office and the Information Technology Authorization Committee prior to using any monies for the replacement of the adult inmate management system	24
26.	Adds footnote requiring the department to submit an expenditure plan to the JLBC for review Prior to the expenditure of any monies for the replacement of the adult inmate management system. he expenditure plan shall include the project cost, deliverables, timeline for completion and method of procurement consistent with the department's prior reports for its appropriations from the Automation Project Fund	24
Board of Cosmetology		
27.	Adds footnote extending annual leave payout line item appropriations through FY 2023.	25
Office of Economic Opportunity (Water Infrastructure Finance Authority)		
28.	Adds footnote requiring WIFA to submit a report annually on or before December 31 to the JLBC on the allocation of funds from the Small Drinking Water Systems Fund. The report shall be submitted until the funds are exhausted.	123

Department of Economic Security

29. Modifies footnote to authorize DES to receive a loan from the budget stabilization fund on or after April 1, 2020 to provide funding for reimbursement of federal grants as part of the closing process for fiscal year 2020. DES must notify JLBC and OSPB before using the loan authority. The loan must be repaid on or before September 1, 2020. 106

Department of Education

30. Modifies footnote to include the Special Education Fund line item as another potential source of, and recipient of, monies in FY 2020 to resolve FY 2019 formula funding shortfalls. 33
31. Adds footnote appropriating \$30 million eliminate the K-12 rollover in FY 2022 for districts with a student count of less than 1,350 pupils. 150
32. Adds footnote that makes non-lapsing until July 1, 2022 the \$50,000 state General Fund appropriation to the department that is for distribution to any new unified school created as the result of an election in 2019 or 2020 pursuant to A.R.S. §15-459, Subsection F. 127
33. Adds footnotes stipulating that state General Fund monies appropriated in FY 2020 for schools on proving grounds 1) may only be used to demolish an existing or former school that is located on a proving ground operated by the United States Army or to construct a new replacement school on that same proving ground, 2) may be spent only if the United States Department of Defense provides matching monies equivalent to 80% of project costs, and 3) do not lapse until the until the project is completed or abandoned unless no expenditure or encumbrance has been made by October 1, 2029, and 4) revert to the state General Fund on October 1, 2029 if unexpended and unencumbered. 126

Department of Forestry and Fire Management

34. Adds footnote stipulating that monies appropriated for the Taylor Fire Training Center line item shall be distributed to the Navajo County Community College District to fund a public safety and emergency training facility. The facility shall be available to both public and private entities for training. The appropriation is non-lapsing. 41
35. Adds footnote appropriating \$1,000,000 from the General Fund to the Nonnative Vegetative Species Eradication Fund in FY 2021 through FY 2029. Monies from the line item are used to provide grants for nonnative vegetative species eradication projects that will assist in preventing fire and flooding. 132
36. Adds footnote making the appropriation for the Mount Lemmon Fire District non-lapsing through December 31, 2021. 131

Board of Funeral Directors and Embalmers

37. Adds footnote extending FY 2019 appropriation for document digitization services through FY 2020 108

Game and Fish Department

38. Modifies footnote requiring the department to report semiannually the status of all capital projects and expenditures rather than just building renewal projects. (Capital) CO 2

Department of Health Services

39. Continues footnote requiring DHS to distribute biomedical research support funding to a nonprofit medical research institute specializing in genomic technologies and sequencing to clinical care and requires the recipient to commission an annual audit of expenditures to submit to the department by February 1 each year. 47

40.	Adds footnote specifying that \$700,000 is appropriated from the General Fund to the department to establish a community-based primary care program in a geographically isolated area of the state which is medically underserved, has a health professional shortage, and a population less than 15,000 persons. Specifies the services the program should provide.	134
41.	Adds footnote requiring DHS to distribute \$1.5 million to Benson Hospital and Northern Cochise Community Hospital to maintain emergency department and trauma services.	133
42.	Adds footnote specifying that the appropriation for Alzheimer's Disease Research shall be distributed to a nonprofit that has been headquartered in the state for at least 10 years and has participating member institutions that conduct research and education.	47
Department of Housing		
43.	Adds footnote specifying that \$3,500,000 of the appropriation for the Housing Trust Fund Deposit line item shall be expended on constructing or renovating facilities and housing assistance, including support services, for persons determined to be seriously mentally ill and to be chronically resistant to treatment.	51
Judiciary		
44.	Modifies footnote regarding county probation officer spending to delete duplicative provision.	54
45.	Adds footnote specifying that the sum of \$1,146,400 is appropriated for salary adjustments for the Administrative Office of the Courts. It is the intent of the Legislature that this amount shall not be annualized in future years.	54
46.	Modifies a footnote to require JLBC review of Administrative Office of the Court's report on county approved-salary adjustments.	54
Legislature- Auditor General		
47.	Adds footnote allowing the Auditor General to use balance of \$31,200 from the FY 2014 appropriation for DCS-affiliated consultant contract (Laws 2014, 2 nd Special Session, Chapter 2, Section 9) for general operating expenses in FY 2020.	2
48.	Adds footnote requiring the Auditor General to 1) Identify by January 1, 2020, in collaboration with the Arizona Commerce authority and businesses, industry and higher education leaders, the industry certifications earned by Career Technical Education (CTED) students that are most associated with multi-year Career Technical Education programs that successfully prepare students for jobs in high demand technical fields. 2) Evaluate by December 1, 2020 the effectiveness of CTED districts in preparing students for jobs in high demand technical fields.	147
Arizona State Parks Board		
49.	Adds footnote requiring the Arizona State Parks Board to report semiannually the status of all capital projects and expenditures. (Capital)	CO 27
50.	Adds footnote extending the \$1.3 million FY 2018 appropriation for capital improvements and \$4.0 million FY 2018 appropriation for Rockin' River project. (Capital)	CO 24
51.	Adds footnote specifying that the appropriation for the Arizona Trail is for employment of youth conservation corps to maintain the trail. Requires the Arizona State Parks Board to submit an expenditure plan for review to the JLBC prior to expenditure.	71
Department of Public Safety		
52.	Adds footnote requiring the department to submit an expenditure plan for the Peace Officer Training Equipment to JLBC for review prior to any expenditures in FY 2020.	80
53.	Adds footnote requiring DPS to report to the JCCR on a cost comparison between the provision of housing versus a housing allowance for state troopers stationed in remote areas. (Capital)	CO 15

School Facilities Board

54. Modifies footnote stipulating the FY 2020 New School Facility appropriation shall be used for facilities and land costs for school districts that received final approval from the board on or before September 1, 2019. 86

Secretary of State

55. Adds footnote extending the FY 2018 appropriation for the Helping America Vote Act through FY 2020. 111

Department of Transportation

56. Adds footnote requiring ADOT to report to JLBC Staff by December 31, 2019 on the status of all Aviation Grant awards and distributions. (Capital) CO 26
57. Modifies footnote to require ADOT semiannual building renewal status update to also include all non-highway construction capital projects. (Capital) CO 2
58. Adds footnote extending FY 2018 appropriation to equip and furnish a new Flagstaff office building through FY 2020. 141
59. Adds footnote requiring ADOT to distribute \$10,000,000 to counties with a population less than 400,000 persons of which \$500,000 is distributed to each applicable county and the remainder of the monies apportion based on population. Requires ADOT to distribute \$8,000,000 to cities and towns located exclusively in applicable counties of which \$100,000 is distributed to each city or town and the remainder of monies apportioned based on population. Population shall be based on the 2017 population estimates from the United States Census Bureau (Capital) CO 24

State Treasurer

60. Upon completion of a request for proposal of the General Ledger Information Technology System, the State Treasurer shall report to the JLBC on the total cost of development and ongoing annual operating costs of the system. 92
61. Adds footnote requiring the State Treasurer to report to the Joint Legislative Budget Committee Staff and the Office of Budgeting and Strategic Planning on its current fiscal year and estimated next fiscal year expenditures of interest earnings spent pursuant to A.R.S. 35-315 and A.R.S. 35-318 for its banking service contract, external investment management agreement, administrative and information technology costs, and any other costs. The report is due on or before June 30, 2019 and June 30, 2020. 92

Universities

62. Adds footnote requiring the medical research foundation to submit an expenditure and performance report to Northern Arizona university. The university shall submit the report to the Joint Legislative Budget Committee on or before February 1, 2020. The report shall include the type and amount of expenditures from all state sources of monies, grants received, and performance measures 96
63. Adds footnote specifying that \$160,000 is appropriated to ABOR to distribute to universities that maintain and operate an intercollegiate adaptive athletics program. Monies may be spent only: 1) When universities collect matching funds, 2) on scholarships, equipment, travel expenses and tournament fees for participants in the program. Monies cannot be spent on administrative costs. 94
64. Adds footnote specifying that monies in the Washington DC Internship line item shall be distributed by ABOR equally to the universities to provide student internships in Washington D.C. in partnership with a third-party organization selected by ABOR. 94
65. Continues footnote requiring each university to report to the JLBC on or before August 1, 2019 on the intended use of one-time appropriations. Prior to any expenditure of monies for capital improvements, each university shall submit the scope, purpose, and estimated cost of the capital improvements to the JCCR for review. 142

Department of Veterans' Services

66. Adds footnote specifying that the suicide prevention appropriation includes funding for distribution to a nonprofit veterans' services organization that provides services related to reducing suicides among Arizona's military and veteran population. Requires department to submit an expenditure plan including the status of non-state matching grant monies to JLBC for review. 98
67. Adds footnote specifying that the trauma treatment services appropriation includes funding for grants to contractors who provide trauma treatment service training to specified licensed health professionals. 98

Statewide (Statewide Adjustments)

68. Adds footnote allowing the JLBC to allocate General Fund and Other Fund statewide adjustments for adjustments to CORP, EORP, and state agency retirement. 157
69. Adds footnote allowing the JLBC to allocate General Fund and Other Fund statewide adjustments for adjustments to state agencies relocating to and within state-owned and lease-purchase buildings. 157
70. Adds footnote allowing the JLBC to allocate General Fund and Other Fund statewide adjustments for adjustments to agency rent. The rate increases from \$16.08 to \$17.87 per square foot for office space and from \$5.79 to \$6.43 per square foot for storage space. 157
71. Adds footnote allowing the JLBC to allocate General Fund and Other Fund statewide adjustments for adjustments for shared services for agencies located in the 1740 W. Adams building and shared administrative services. 157
72. Adds footnote allowing the JLBC to allocate General Fund and Other fund statewide adjustments for employer health insurance contribution adjustments. The adjustments include 1) a one-time reduction to employer contribution rates. and 2) new a one-time increase employer contribution rates. Consistent with the FY 2019 statewide allocation, the JLBC shall use the overall allocation of General Fund and appropriated tuition for each university when determining that university's specific adjustment. 157
73. Adds footnote allowing the JLBC to allocate General Fund and Other fund statewide adjustments for adjustments for risk management premiums. 157
74. Adds footnote allowing the JLBC to allocate General Fund and Other fund statewide adjustments for adjustments the Information Technology pro-rata. 157

Statewide (Public Safety Compensation)

75. Adds footnote stating that it is the intent of the legislature that salary adjustments be allocated as outlined. 158
76. Requires agencies to adjust salary schedules and step plans as applicable to conform with actual salary adjustments implemented for each agency and position. Except as otherwise noted, the specific pay raise percentages are not specified. 158

Department of Corrections	
Security/Correctional Officers	10.00%
Education/Teachers	9.17%
Correctional Records	5.00%
Counseling/Treatment	13.16%
Religion	5.00%
Department of Juvenile Corrections	
Security/Correctional Officers	14.90%
Education/Teachers	8.45%
Department of Public Safety	
Sworn Positions	10.00%
Civilian Positions	5.00%
(Continued)	

Arizona Department of Agriculture

Livestock Officers

Attorney General - Department of Law

Investigators

Department of Child Safety

Caseworkers

Case Aides

Program Supervisors

Program Specialists

Entry-level Administration

Corporation Commission

Securities Division - Special Investigators

Arizona Game and Fish Department

Wildlife Law Enforcement

Wildlife Managers

Department of Health Services

Behavioral Health Technicians

Nurses

Security

Department of Insurance

Insurance Fraud Investigators

Department of Liquor Licenses and Control

Investigators

Arizona State Parks Board

Park Ranger - Law Enforcement Officers

Department of Transportation

Enforcement and Compliance Officers

FY 2020 GENERAL APPROPRIATION ACT PROVISIONS

The Baseline includes the following provisions in the General Appropriation Act. These provisions are in addition to the individual agency appropriations, but exclude supplemental appropriations, ex-appropriations, and fund transfers. New provisions in the Baseline are noted with an asterisk (*).

Arizona Commerce Authority

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| 1. | As session law, in accordance with statute (A.R.S. § 43-409), allocate \$15,500,000 of General Fund withholding tax revenue to the Authority in FY 2020. | 120 |
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Counties and Cities & Towns

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| 2. | As session law, continue to appropriate \$550,050 to all counties with populations under 900,000 people according to the 2010 Census. As session law, continue to appropriate additional \$500,000 to Graham County. | 115 |
| 3. | As session law, in accordance with A.R.S. § 9-601, appropriate \$23,499,950 from the General Fund in FY 2020 for the Phoenix Convention Center. | 145 |
| 4. | As session law, in accordance with A.R.S. § 42-5031, continue to provide sales tax revenues, estimated at \$14,000,000 in FY 2020, to the Rio Nuevo Multipurpose Facility District. | 146 |

Department of Education

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| 5. | As session law, continue to defer \$930,727,700 in Basic State Aid payments for FY 2020 until FY 2021. Appropriate \$930,727,700 in FY 2021 for these deferred Basic State Aid payments. Continue to exempt school districts with less than 600 students from the K-12 rollover. Allow ADE to make the rollover payment no later than July 12, 2020. | 156 |
| 6. | As session law, continue to require school districts to include in the FY 2020 revenue estimates that they use for computing their FY 2020 tax rates the rollover monies that they will receive for FY 2020 in July 2020. | 156 |

Debt Service

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| 7. | As session law, appropriate \$77,709,300 from the General Fund to the Arizona Department of Administration in FY 2020 for a debt service payment on the 2010 sale and leaseback of state buildings. The dollar amount consists of 2 separate appropriations of \$53,699,500 and \$24,009,800. The former amount reflects a reduction of \$(6,399,200) from prior years due to a refinancing. | 144 |
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Revenues

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| 8. | As session law, continue to specify revenue and expenditure estimates for FY 2019, FY 2020, FY 2021, and FY 2022. | 164 |
| 9. | As session law, continue to require the Executive Branch to provide JLBC preliminary estimates of FY 2019 ending balances by September 15, 2019. Require JLBC Staff to report to JLBC by October 15, 2019 as to whether FY 2020 revenues and ending balance are expected to change by more than \$50,000,000 from budgeted projections. | 164 |

Statewide

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| 10. | As session law, continue to state legislative intent that all budget units receiving appropriations continue to report actual, estimated and requested expenditures in a format similar to prior years. | 160 |
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| 11. | As session law, continue to require ADOA to compile a report on Full-Time Equivalent (FTE) Position usage in FY 2020 in all agencies and provide it to the JLBC Director by October 1, 2020. The Universities are exempt from the report but are required to report separately. | 162 |
| 12. | As session law, continue to require each agency to submit a report to the JLBC Director by October 1, 2019 on the number of filled appropriated and non-appropriated FTE Positions by fund source as of September 1, 2019. | 161 |
| 13. | As session law, continue to require ADOA to report monthly to the JLBC Director on agency transfers of spending authority from one expenditure class to another or between programs. | 163 |

General

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| 14. | As session law, continue to define “*” as designating an appropriation exempt from lapsing. | 165 |
| 15. | As session law, continue to define “expenditure authority” as continuously appropriated monies included in individual line items of appropriations. | 166 |
| 16. | As session law, continue to define "review by the Joint Legislative Budget Committee" as a review by a vote of a majority of a quorum of the members. | 167 |